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Department of Public Utilities Annual Report Fiscal Year 1987



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Department of Public Utilities

Annual Report Fiscal Year 1987



The Commonwealth of Massachusetts
Michael S. Dukakis
Governor

**Executive Office of Consumer Affairs
and Business Regulation**
Paula W. Gold
Secretary

Department of Public Utilities
Bernice K. McIntyre, Chairman
Susan F. Tierney, Commissioner
Robert N. Werlin, Commissioner

Cover photo: An oil tanker
delivers oil to the Canal Electric
Company in Sandwich, MA.



The Commonwealth of Massachusetts
Department of Public Utilities
Leverett Saltonstall Building, Government Center
100 Cambridge Street, Boston 02202

June, 1988

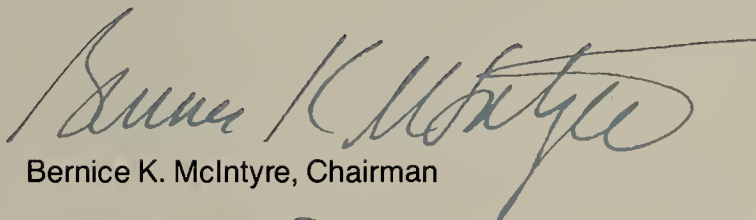
The Honorable Michael S. Dukakis, Governor
The Honorable William M. Bulger, President of the Senate
The Honorable George Keverian, Speaker of the House
of Representatives
The Honorable Paula W. Gold, Secretary of Consumer Affairs
and Business Regulation

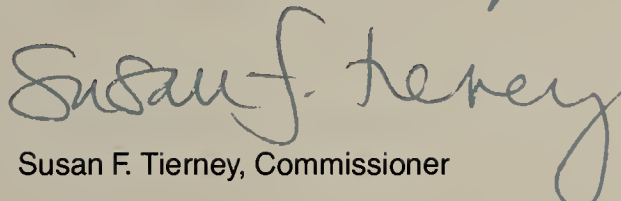
We are pleased to submit the Annual Report of the Department of Public Utilities for fiscal year 1987. The Report represents the achievements of a talented and dedicated staff under the direction of former Chairman Paul F. Levy and then-Commissioners Bernice K. McIntyre and Robert J. Keegan.

We sincerely appreciate the support provided by the Legislature in helping the Department deal with the many issues concerning regulation of the state's utilities and common carriers.

We look forward to maintaining a close working relationship with the Legislature as we face the continuing challenge of ensuring that Massachusetts consumers receive reliable utility service at the lowest possible cost.

Respectfully yours,


Bernice K. McIntyre, Chairman


Susan F. Tierney, Commissioner


Robert N. Werlin, Commissioner

Photography:

We are grateful to the following companies and individuals for sharing with us the photographs used in this annual report.

Boston Edison
COM/Energy Services Co.
Fitchburg Gas and
Electric Light Co.
New England Telephone Co.
John Littlewood
Ira Molay

Editor: Merry Duffy

Design: Sandy Schafer

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DPU History compiled by
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A History of the Department of Public Utilities

In the 1980's, the Department of Public Utilities faces the challenge of reviewing and revising its regulatory policies to keep pace with changes in the utility industries. Increasing competition and rapid technological advancement have given rise to new services in the telecommunications industry, new power providers in the electric industry and a new transportation system in the gas industry. In this climate of change, it is useful to trace the evolution of the Department from its beginnings in the 19th century.

Massachusetts was the first state in the Union to become involved in the regulation of public utilities. In 1804 the General Court passed a law which made turnpike companies subject to regulation by the state.

With the advent of railroads, the principles established for the regulation of turnpikes some thirty years before were applied to the new industry. A three-member board called the Board of Railroad Commissioners was established in 1869 based upon the regulatory background which was unique to Massachusetts.

The Board of Railroad Commissioners, having the distinction of being the first regulatory commission in the United States, had general supervision over railroads and street railways. Its authority was somewhat unusual because at that time it acted only in an advisory capacity. It had no authority to issue orders and its actions were limited to recommendations to the companies which it supervised. As a note of interest, in the forty-five years of its existence only one recommendation was disregarded.

In 1906 the Board's duties were expanded to include steamship companies, and in 1913 the name of the Board was changed to the Public Service Commission. The new entity had expanded powers, duties and jurisdiction over all common carriers, including express, telephone and telegraph companies.

During the same period other utilities came under regulation, beginning in 1885 with the establishment of the Board of Gas Commissioners, which also was composed of three members. This Board was charged with the supervision of gas manufacturing companies and with the inspection of the companies and the purity of the gas which they produced. Two years later the name of this Board was changed to the Board of Gas and Electric Light Commissioners, and in 1889 its powers were extended and rate regulation was added to the existing functions. Regulatory authority was extended to municipal gas and electric plants in 1891. In the year 1914 investor-owned water companies were made subject to state regulation, at which time there was a further increase in the Board's powers, including the promulgation of Uniform Systems of Accounts and the approval of rates, ownership, and consolidations, the inspection of meters, and the testing of gas for purity.

In 1919 the Massachusetts legislature consolidated the Public Service Commission and the Board of Gas and Electric Commissioners, resulting in the formation of the present Department of Public Utilities (the DPU or Department). The new agency was given additional powers over rates of gas and electric companies. Provision was made for a five-member Commission with staggered terms, limited to not more than three members of the same political party. In 1958 the Commission was expanded to seven members with staggered terms, with not more than four members from the same political party. The same statute which increased the Commission also had the provision that one of the members of the Commission should be a woman.

The Department was established as a quasi-judicial administrative agency with jurisdiction over the regulation of railroad, street railway, steamboat, telephone, telegraph, gas, electric and water companies, municipal gas and electric plants, carriers of property for hire, and motor carriers of passengers. Under the statutes it also had jurisdiction over brokers and salesmen of securities and the approval of sales of securities in the Commonwealth to the public. Under the so-called "Blue Sky Law" it was also required to prevent smoke nuisance by regulating smoke emissions over the City of Boston and its metropolitan area.

Many of the activities of the Department, as well as its goals and objectives, have changed over time. It initially had several Divisions which administered the extensive and diverse requirements of the statutes dealing with utility regulation. Three of the Divisions were specifically created by statute and named as follows: Commercial Motor Vehicles, Securities, and Smoke.

The other original Divisions were established by Department rule and were titled as follows: Administration, Accounting, Engineering, Gas, Railway and Bus, and Telephone.

The scope and magnitude of the Department's operations is suggested by the activities and functions performed by the Divisions. These included technical support for the Commission members who acted as hearings officers for the formal hearings before the Department. In addition, the Divisions conducted investigations of informal complaints made by citizens, participated in zoning and eminent domain proceedings, tested meters, tested the quality of gas supplied by gas companies, appraised utility plants, inspected all bridges that carried railroads, street railways and motor buses, stations, signals, crossing signals and signs to protect the safety of the traveling public, and investigated accidents relating to carriers, gas and electricity.

The Department monitored utility income and, where rates were found to be excessive, entered into negotiation or investigation which could result in rate reductions if warranted. The Department also reviewed Annual Reports for conformance with the Uniform Systems of Accounts and audited plant

construction as a basis for the approval of security issues and verification of rate base. Division staff was also active in promoting the extension of electric service and in improving water quality and service.

The Smoke Division was transferred out of the Department in 1960 and the Securities Division was transferred to the Department of the Secretary of State in 1972.

The Department was reorganized in 1975 when the seven-member part-time Commission was replaced by a three-member full-time Commission. The terms of the commissioners are coterminous with that of the Governor and no more than two members can be of the same political party.

In 1981, the Legislature added a Fuel Monitoring Bureau to administer and enforce fuel clause regulations applicable to electric companies. The enabling legislation specified that the Commission should employ no fewer than 10 non-civil service personnel to oversee the efficiency and operation of electric generating plants and fuel purchasing practices.

An internal reorganization in 1985 changed the Division structure to emphasize specialization in each regulatory area. The following Divisions emerged from the reorganization: Administration, Commercial Motor Vehicles, Consumer, Electric Power, Engineering and Pipeline Safety, Fiscal, Legal, Railway and Bus, Rates and Research, and Telecommunications.

Department's Mission and Goals



The Department's Mission



The Department of Public Utilities is responsible for the regulation of electric, gas, telephone, and water utilities, as well as bus companies and commercial motor vehicles. The companies regulated by the Department fall into two general categories: public utilities and common carriers.

Public Utility Companies provide essential services such as water, natural gas, and electricity. The DPU was created to control prices and rates for these services and to monitor their quality. These pricing and quality considerations, which would ordinarily be influenced by market forces in the case of other private industries, are regulated to ensure that the companies properly serve the public and do not abuse their market power.

The Commission has two major goals in ratesetting:

- to protect consumers from unreasonable rates and terms of service; and
- to encourage the greatest possible efficiency in utility company operations and management.

Common Carriers are also regulated by the DPU. These include telecommunications companies, commercial motor vehicle operations, and bus companies. Common carriers are regulated because they, too, provide essential services to the public. Thus, the DPU regulates the entry of companies into the common carrier field, and it regulates the rates and terms of service provided by these companies.

Major Economic and Social Impact

The public utility and common carrier companies regulated by the DPU represent a major economic force within the Commonwealth, with combined operating revenues of over eight billion dollars. Virtually all homeowners, renters, municipal governments, nonprofit institutions, and businesses in Massachusetts are directly affected by these multi-billion-dollar industries in a manner largely beyond their individual control.

The Department, with a staff of about 140 employees, has the significant task of regulating these public utilities and common carriers in the fields of telecommunications, electric power, natural gas, water, and transportation in a manner that protects the public interest.

The final authority for all regulatory decisions rests with the three-member Commission. The Governor designates the Chairman who has the responsibility to administer the agency and serves as agency head. The Commission is appointed by and serves coterminously with the Governor. The Department's responsibilities include the following:

Ratesetting

Analysis of company rate requests, resulting in a determination of just and reasonable rates;

Fuel Adjustment Charge

Ongoing review and analysis of fuel adjustment charges, purchased power adjustment clauses, and cost of gas adjustment charges;

Power Supply Contracts

Review and approval of long-term gas and electric power supply contracts;

Interruptible Contracts

Review of interruptible gas sale contracts and other nontariffed purchase and sale agreements for gas and electricity customers;

Financings

Review and approval of securities issuances (i.e., stock offerings and bond placements) of the regulated companies;

Utility Diversification Investments

Review and approval of investments made by utilities in other areas of business;

Intrastate Telecommunication Carriers

Certification of intrastate telecommunications carriers;

Radio Common Carriers

Certification of radio common carriers (RCCs), such as paging companies and cellular radio companies;

Billing and Termination Regulations

Enforcement of billing and termination regulations for electric, gas, telephone, and water companies;

Accident Investigation

Investigation of natural gas, electricity, bus, and rail accidents;

Safety Enforcement

Safety enforcement of natural gas, electricity, bus, rail, rapid transit, and commercial motor vehicle companies;

Bus and Truck Licenses

Licensure of bus drivers and vehicles used for the transportation of people and goods;

Intrastate Trucking

Certification of intrastate commercial motor vehicle operations.

Achieving Departmental Goals



The Department has established a number of goals which it works to achieve on behalf of the citizens of the Commonwealth. These are:

Assist the Public

To assist members of the public in their dealings with regulated companies in a prompt, helpful, and efficient manner, and provide information to the public concerning their rights to service by the utilities;

Ensure Public Safety

To ensure the safety of the public in a manner consistent with the provisions of the General Laws;

Establish Regulatory Standards

To determine the appropriate scope and degree of regulations for each industry under the Department's supervision and to apply such regulations fairly and consistently with clearly enunciated standards.

Assist the Public

This year the Department has continued to provide prompt and thorough answers to consumer questions, resolved customer disputes with their utilities, and taken specific regulatory action in response to consumer complaints.

Consumer Assistance

Of the 65,000 calls that came into the Division during the year, 87% were answered very promptly within 10 seconds. In addition, the staff of the Consumer Assistance Division responded to 4500 mail inquiries, 200 requests for informal hearings and 176 walk-ins. As a direct result of dispute investigation by the DPU staff, nearly \$800,000 was returned to customers.

In two instances, large numbers of consumer complaints focused attention on new problems and led to regulatory change:

- 1) When the Consumer Assistance Division received hundreds of complaints from irate parents regarding teen talk lines, the Department opened an investigation, held public hearings and ordered new requirements for the operation of these lines, including: waiving of the first month's bill in instances where the customer was unaware that the service was available; development of a service option allowing customers to block the conference-line options.
- 2) The Department amended its regulations governing condominium units in response to complaints from condominium tenants. The new regulations allow condominium common areas to be billed on either the residential or commercial rate and also require a utility company to give all tenants 30-day notice before an impending shut-off of service because of a landlord's failure to pay a utility bill. Under the revised regulations, condominium owners may pay part of their rent to the utility company to keep the service on.

Ensure Public Safety

In FY87, the Department adopted procedures to monitor and enforce federal and state gas safety regulations and consequently received certification by the Federal Department of Transportation (DOT) to directly enforce federal regulations through imposition of fines or injunctive action. This enhanced authority will ensure rapid response.

Natural Gas Safety

Natural gas and related supplemental gases that are transported by local distribution companies and intrastate and interstate pipeline companies are considered hazardous fuels throughout the country.

In December, 1986, the legislature gave the Department new authority to monitor and enforce federal and state gas safety requirements. FY87 marked the first year that the Department acted under this new authority. Now the DPU, certified and partially reimbursed by the U.S. DOT Office of Pipeline Safety, directly controls corrective actions for violations involving design, construction, operation and maintenance of pipelines and LNG plants. Civil penalties can be assessed for those violations and, in FY87, \$68,000 was collected.

Dig-Safe Law Enforcement

Public and private property throughout the state has extensive underground facilities which include electric and telecommunications cables, cable television lines and gas pipelines. Damage to these facilities through lack of notification to the owners by excavators, inaccurate marking by the owners, or carelessness while digging can hamper any business and jeopardize the safety of the general public. In FY86, the General Court passed legislation empowering the DPU to enforce the long-standing Dig-Safe statute, which requires that owners and excavators take steps to avoid damage. In the first 1 1/2 years of enforcement, the DPU has already collected \$100,000 in civil penalties. Preliminary indications are that excavators and utility operators have been making the effort to comply with the Dig-Safe law that will result in safer conditions with less risk to people and property.

Transportation Safety

The DPU has completed the computerization of the licensing and fee collection functions of the Commercial Motor Vehicle and Rail and Bus Divisions, which together collect more than \$2 million per year. This has improved the Department's ability to license all trucks, buses and bus drivers and to increase safety inspections.

Establish Regulatory Standards

This goal reflects the fact that the industries under the Department's supervision have widely varying characteristics, and the degree of regulation for each industry must be tailored to the particular characteristics of that industry. It also reflects the continuing need to reexamine and reassess regulatory standards in light of a rapidly changing marketplace. The introduction of competition into the once-monopolistic utility industries requires careful monitoring of customer complaints and often demands the development of new regulatory approaches.

The Department continually seeks to develop a rate structure which ensures that rates are based on costs of service provided and that customers are paying the lowest possible rates for reliable and efficient service consistent with the dual goals of continuity and fairness.

Additionally, the Department must often clarify and redefine its regulatory standards as the number of regulated entities, the range of service variables and, in many cases, the customer bases of the utilities increase, and the marketplace, in short, becomes more complex. The Department views the establishment of clear regulatory standards as a key component in continued economic growth for the state.

Transportation

The Department continued to apply previously enunciated standards that reduce barriers to entry for new Common Carriers including buses, vanpools and commercial motor vehicles.

In these cases, the Department consistently rejected contentions by existing carriers that the DPU had an obligation to protect those carriers from unwanted competition. Instead, where evidence has been presented that a new carrier is fit, willing and able to provide service for which there is a demand, the Department has granted the applicant permission to operate. In doing so, the Department has taken the view that the public interest does not require protection of existing carriers.

This point of view is particularly pertinent in an expanding economy, where there is a growing need for transportation services of all kinds. Continuation of a policy restricting carrier entry into the field could simply result in less customer choice, higher prices and greater market concentration by a few firms, a result clearly at odds with the public interest.

Telecommunications

Responding to a rapidly changing and increasingly competitive telecommunications industry, the Department worked in fiscal year 1987 to develop policies that allow telephone customers to enjoy the benefits of new services while retaining reasonable, affordable and high-quality telephone service. During the year the Department: reviewed and approved New England Telephone's (NET) access rates for other telecommunication carriers using

the NET network to provide long distance service; examined and certified new telecommunications carriers for fitness to operate within the area codes; allowed NET to provide telephone service for private, coin-operated telephones as long as the payphones 1) were clearly marked to indicate ownership and 2) provided access to 411 and 911.

The Department also acted swiftly to investigate customer complaints about abuses on teen lines launched as part of the newly approved Group Bridging Services (GBS). The Department established regulations requiring that conversations on services used by children and teenagers be monitored by staff trained to deal with these age groups and that customers be reminded about the amount of time elapsed. In addition, the Department ordered that first-month bills of customers unaware that their children had access to such service be waived and ordered NET to provide a service option allowing customers to block the GBS service to their home phones.

The Department also continued its comprehensive investigation into NET rates to ensure that all rates are cost-based. Phase I of this investigation was completed in July, 1987, when the DPU determined the framework for examining costs and the allocation of costs and revenues among customer classes. The investigation will continue in FY88.

Electricity

FY87 was a year of increasing competition in the electric utility industry. In August, 1986, the Department issued new regulations establishing bidding procedures governing the sale of electricity between small power producers and cogenerators and electric utilities. The regulations, which call for long-term, fixed-price contracts for the electricity which small power producers provide to electric utilities, offer incentives for production of such power while protecting ratepayers from paying more for power from such facilities than they would for power from plants built by the utilities themselves. Boston Edison, the first utility to use the bidding procedure, received bids for nearly 2,000 megawatts of power when it had requested only 200. This gives some indication of the resources available for cogeneration.

The Department continued to monitor utility performance through its annual performance review process and in special investigations. Three utility companies (Boston Edison, Cambridge Electric Light and Commonwealth Electric) were ordered to refund to ratepayers, with interest, a total of approximately \$600,000 in fuel and purchased power expenses. The Department also continued its investigation into the outage at Pilgrim Nuclear Power Plant, paying particular attention to the management of the outage, which began in April, 1986. The Department will determine who pays for the replacement power costs, estimated at \$200,000 per day.

The Department continued its effort to clarify the DPU's cost-recovery treatment of utility-owned generation investments in light of the changing marketplace. The Department has limited further consideration to two alternatives, the "prudent/used and useful standard" or a procedure leading to a preapproved contract.

Natural Gas

Since the Federal Energy Regulatory Commission (FERC) Order in 1985 initiating the process for achieving "open access transportation" of gas directly from producers to end users, the Department has been reviewing the applicability of this policy in light of the state's specific needs. During FY87 the Department concluded Phase I of the case, establishing requirements for implementation of this new gas transportation policy within Massachusetts.

The Department was able to meet its goal of setting seasonal marginal-cost-based rates in cases filed by North Attleboro Gas Company and Berkshire Gas Company. Seasonal rates based on actual costs of service send clear price signals to customers and may encourage conservation efforts during periods when prices are up.

The Division Reports in the next section contain more detailed information on the Department's responsibilities, progress made in fiscal year 1987 and future goals.

Legal and Administrative Services



Case Handling

The Department holds hearings on each rate case, financing request and investigation that it opens. Depending on their complexity, most cases are heard by a team of attorneys, economists and accountants. Electric, gas and telecommunications company rate cases must be completed within six months and water company rate cases within ten months of filing, so case-tracking and scheduling are very important. The cases range from multi-million-dollar rate requests from large companies to several-thousand-dollar increases for smaller companies. Each case receives a full investigation and consideration by the Department and staff.

Recordkeeping for all filings, hearings and orders issued by the Department is the responsibility of the Administrative Section. The Administrative Section has initiated a case-tracking system, and has improved its procedures to ensure public access to case dockets, tariffs, annual reports and other information about utility operations.

Hearings

At the start of a case, the Department holds public hearings in the company's service territory to give the public and local and state officials the opportunity to comment on each issue. Under regulations issued by the Department, each utility must place large-size advertisements in local

newspapers to announce hearing dates. In addition, the DPU requires that the company send notice of the requested rate request to all customers with their bill mailings. D.P.U. 1364/1717; 220 C.M.R. 1.00, 5.00, 5.06.

The Department holds additional evidentiary hearings in its offices. Hearing notices go out weekly to a mailing list of almost 300. Chart 1 indicates the number of hearings held in fiscal year 1987 and the number of Commission decisions issued, by industry.

The Administrative Section operates a subscription service, by industry, to allow individuals and companies to receive all DPU decisions regularly by mail at an annual subscription rate. This monthly update service is in great demand.

Department of Public Utilities

Hearings — Fiscal Year 1987

Type of Hearing	Rate Cases		Financing		Investigations Petitions & Applications		Rulemaking		TOTAL
	Service Territory	D.P.U. Office	Service Territory	D.P.U. Office	Service Territory	D.P.U. Office	Service Territory	D.P.U. Office	
Gas	4	25	1	16	5	36		2	89
Electric	4	27		13	6	122		2	174
Water	2	11	1	1	2	2			19
Telecommunications		4			4	133			141
Rail & Bus						78			78
CMVD					611	430			1041
Dig Safe Appeal						20			20
Adjudicatory						30			30
Others						12			12
TOTALS	10	67	2	30	628	863		4	1604

Department of Public Utilities

Decisions—Fiscal Year 1987

MONTH	Water Rate Cases	Gas Rate Cases	Electric Rate Fuel Adjust- ment	Tele- commun- ications Cases	CMVD Cases	Rail & Bus Cases	Adjudi- catory Cases	Financing Cases	Dig Safe Orders	Pipeline Safety Orders	TOTAL
JUL	23	4	2	6		8	15	4	21		83
AUG	1	1	9	4	1	3	7	3	24		53
SEP		1	9	1	1	10	11		12		45
OCT	1	3	12	7	3	4	3	5	8		46
NOV	1	1	6	7		7	1		21	2	46
DEC	2	3	14	5		9	3	3	25	1	65
JAN	1	1	5	4			1	2	28	2	44
FEB	1	2	10	5		9	6	2	22	2	59
MAR		1	12	4			1	2	39		59
APR	1	1	13	4			1	2	19	3	44
MAY	2		11	6		7	8	2	25		61
JUN	2	7	19	3		5	5	2	31	2	76
TOTALS	35	25	122	56	5	62	62	27	275	12	681

Department of Public Utilities
Division Reports



Consumer Division



Responsibilities

The Consumer Division protects consumers from unjust utility practices. Under the DPU's regulatory and enforcement authority over billing and termination procedures for residential customers, it helps to resolve problems and answer questions of nearly 65,000 people annually.

The Consumer Division is primarily concerned with the quality of service provided to residents of the Commonwealth by the regulated gas, electric, water and telephone companies. It is responsible for providing the Commission with the information it needs to assess the performance of the regulated utilities and the quality of service they provide. It also works with the companies to encourage them to implement more consumer-sensitive procedures.

The address and phone number of the Consumer Division, including a toll-free number for those outside of metropolitan Boston, are printed on every utility bill rendered in the Commonwealth. Each year many customers take advantage of the help offered.

While most questions and complaints can be resolved immediately over the phone or can be settled on the phone after a brief investigation and mediation with the utilities, some problems require further proceedings. In an effort to enforce the Department's regulation and resolve consumer disputes, the Consumer Division schedules an average of 17 informal hearings per month.

Over the last several years there has been a reduction in the number of informal hearings required. This results from the Division's improved effectiveness in resolving complaints over the phone, eliminating the need for a consumer to make the trip to Boston.

Year's Progress

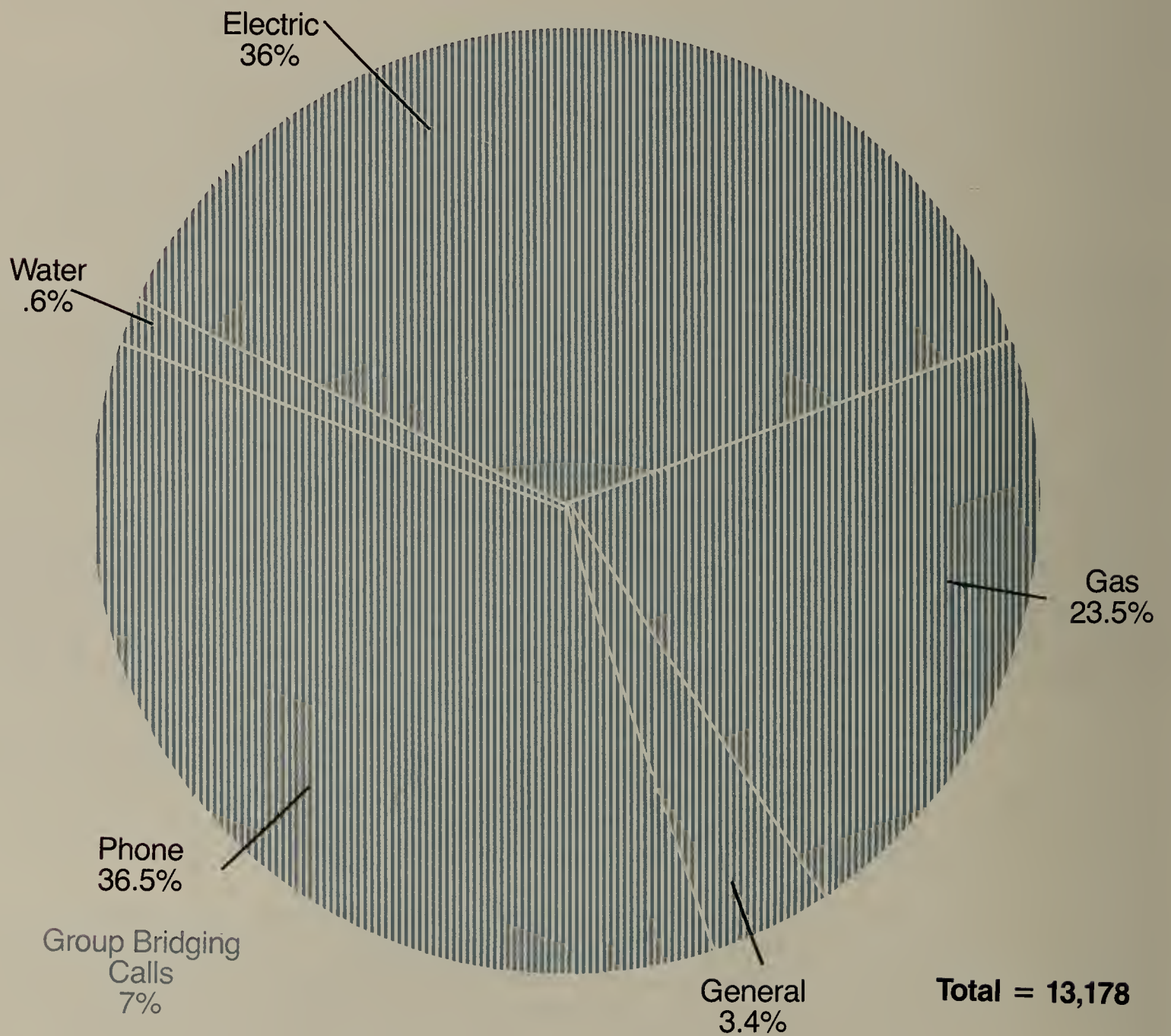
The Consumer Division continues to provide excellent service for callers. One hundred seventy-six consumers walked into the office for assistance this year, in addition to the more than 200 who requested informal hearings. The Division received 4500 pieces of mail, a slight decrease from last year, but the number requiring substantial investigation, nearly 1200, remained the same. The chart on page 18 shows consumer contacts with staff by industry.

Again this year, complaints about electric companies required the most staff time, as roughly 37% of all investigative work was done on behalf of electric customers. This figure is about 10% lower than last year, perhaps because fiscal year 1987 lacked the drama of a Hurricane Gloria and the hundreds of calls which that storm prompted. However, severe February storms did wreak havoc with electric power lines in various areas of the state, leaving many residents without electric power for several days. In one town, the National Guard was called in to clear roads so that utility crews could begin to work in the area. Utility companies did a commendable job of communicating with local officials and with the general public. Communication by the companies, much improved over last year's experience with Hurricane Gloria, kept storm complaints at a manageable level for the Division.

Complaints against the telephone industry continue to increase, not only because of the many new service offerings and resulting customer confusion, but also because of delays in the installation of new telephone service. In addition, Group Bridging, one of the new services made available to the public as a result of divestiture, provoked hundreds of complaints. Group Bridging Service is a vendor-operated tele-conferencing service which allows telephone users to call a publicized number to join an ongoing conversation. It is widely advertised and targeted to teen-agers, many of whom used the available service without their parents' knowledge. The intensity of the feeling of parents complaining about the service prompted the Department to hold public hearings on Group Bridging Services. The well-attended hearings received a good deal of media attention and the investigation resulted in new requirements for the operation of these services (see section on Telecommunications).

Consumer Contacts—Fiscal Year 1987

Contacts Requiring Substantial Staff Time



Consumer problems by industry, requiring substantial investigation.

Condominium Regulations

Responding to requests from the Consumer Division to protect the status of tenants in condominium units, the Department amended its regulations governing condominium units (D.P.U. 86-159). The new regulations provide that a condominium may choose to be billed for its common areas on either the residential or commercial rate, thus eliminating the complex system previously used to calculate charges for common areas of facilities.

The amended regulations also apply the landlord/tenant posting requirement found in the residential regulations to condominiums. Basically, the regulations require a utility company to give all tenants 30 days before an impending shut-off of service because of a landlord's failure to pay a utility bill. In this situation, condominium tenants now have the right to pay part or all of the rent to the utility company in order to keep the service on.

Consumer Gains

This year for the first time, the Division kept a record of all monies reverted back to customers after a dispute investigation by DPU staff. For a variety of reasons, ranging from simple billing errors to willful violation of Department regulations and careless disregard of customer rights, a total of \$769,168.92 was credited to consumers. The largest single adjustment made was by New England Telephone Company for a PBX overcharge to business customers, and the Company credited \$567,728 to business accounts. The next in size, also a telephone company adjustment, was against AT&T for a billing error in its Reach Out America Program. The Company refunded \$24,508.76 to individual customers.

Improving Utility Responsiveness

Division staff meets frequently with consumer advocates and utility credit managers. These meetings continue to be a source of increased understanding between consumers and utilities and are instrumental in the development of reasonable complaint resolution procedures. Most utility companies have responded to these meetings very favorably and have trained their own staff in carrying out DPU regulations and in responding more adequately to customers' needs. This has contributed to the reduction in phone contacts to the DPU.

Staff Training

The Consumer Division continued its comprehensive training program which allows the staff to learn in more detail about many aspects of utility service. As a result of the training program, which includes on-site visits to utility plants, staff are better able to respond to the increasingly wide range of questions posed by callers.

Reaching Out

Again this year, the Division required that its pamphlet explaining utility customers' rights and responsibilities during the heating season be printed in English, Spanish and Portuguese, and distributed in all utility bills. In addition, the Division produced two new pamphlets. The first, entitled "Meters and Bills", briefly outlines the Department regulations involving

meter reading and estimated bills. The second, "The DPU Hears You", explains the procedure for dispute resolution up to and including the formal adjudicatory hearing. Over 10,000 copies of the pamphlets were distributed through various social and consumer agencies such as Senior Citizen centers and local Legal Services.

The Director of the Consumer Division is designated by the Commission to sit as a member of the Fuel Assistance and Weatherization Advisory Board of the Executive Office of Communities and Development and ensure that the special concerns of utility consumers are given full hearing.

The Division also works with the Welfare Department to familiarize the staff with common utility-related problems and their appropriate resolution. This helps to ensure that the Commonwealth's neediest consumers are not taken advantage of by utilities.

Goals

1. To continue to educate consumers through publication and distribution of pamphlets that describe utility consumers' rights and responsibilities and explain the various fuel adjustment charges that regularly appear on utility bills.
2. To begin the process of computerizing the Division by installing several computers, increasing staff time on computers, and training staff to enter correct data so that a system for record keeping can be developed which will track customer complaints according to issue and company.
3. To examine the billing procedures of utility companies more closely to ensure that energy companies' bills meet the Department standards of timeliness and accuracy.
4. To target groups in need of information about their rights as utility customers for special outreach projects.

Consumer Division Typical Cases

Case 1

Mrs. Coffey, a single parent of a sixteen-year-old girl, contacted the Consumer Division after the telephone company disconnected her telephone service for nonpayment of certain charges. She told a consumer coordinator that she could not afford to pay the \$340 in charges which had resulted from calls that her daughter had made to a group bridging teen talk line while she was at work.

The consumer coordinator investigated the charges and discovered that the telephone company had shut off Mrs. Coffey's service because of the unpaid group bridging call charges. The consumer coordinator informed the telephone company that the Department found it was improper for the company to shut off a customer's phone service because of unpaid group bridging charges. The telephone service was restored, an adjustment of the first month's charges was applied, and Mrs. Coffey worked out a payment plan to pay off the remainder of the group bridging service charges over a four-month period.

Case 2

Mr. Carson received promotional literature from AT&T advertising a new program called "Reach Out America". The program permitted customers to make an hour of directly dialed out-of-state long-distance calls after 10:00 p.m. on any evening for \$9.50 per month. The literature also explained that AT&T had contracted with New England Telephone Company to do its billing.

Mr. Carson signed up for the "Reach Out America" plan. When he received his bill, he noticed that all the calls he made between 10:00 p.m. and 11:00 p.m. were billed at the more expensive rate. He immediately called AT&T and the representative explained that normally participants in the "Reach Out America" program were billed at the lower rate after 10:00 p.m., but that the New England Telephone Company's computer was programmed to reduce the rate only after 11:00 p.m. The AT&T representative further suggested that he call New England Telephone Company to resolve the problem. However, when Mr. Carson called a representative from New England Telephone Company, he was told that "Reach Out America" rates were set by AT&T and that he would have to receive satisfaction from AT&T. At this point Mr. Carson contacted the Consumer Division because he was unable to resolve his billing problem with either company. The Consumer Division resolved the problem by requiring the New England Telephone Company to reprogram its computer to reflect the time change and, on

behalf of AT&T, to adjust the bills and issue a credit refund to all customers affected.

Case 3

Mrs. Santos received a termination notice from her electric company. She immediately called the company to explain that she needed to have service maintained because of her son's diabetic condition. The Company informed her that she must have her son's doctor send a letter confirming that he had a serious illness and she must complete a financial hardship form. The son's doctor sent a letter to the company explaining the nature of the son's diabetic condition, and Mrs. Santos completed the financial hardship form. The company denied Mrs. Santos' request for protection from shut-off on the basis that the son's condition was not serious enough to warrant protection from shut-off.

Mrs. Santos called the Consumer Division and explained her situation. The consumer coordinator contacted the company and confirmed that the company had received the doctor's letter and the financial hardship form. The consumer coordinator explained that Mrs. Santos only needed to submit a letter from the doctor stating her son's condition and a financial hardship form showing proof of financial hardship to be protected from having her service shut off. The consumer coordinator also explained that, according to state law and Department regulations, the company did not have the discretion to make its own determination as to whether, given the nature of the illness, the customer's service should be maintained.

Mrs. Santos' service was protected from shut-off and she agreed to a payment plan that would allow her to pay off her arrears plus current bills.

Telecommunications Division



Responsibilities

This Division is responsible for the regulation of all common carriers that provide transmission of intelligence by electricity within the Commonwealth. Regulated carriers are all intrastate telephone companies, radio common carriers and other specialized common carriers.

The Division's staff is responsible for analyzing and reviewing all rate and tariff filings. It conducts administrative hearings and investigates complaints and inquiries concerning the provision of telecommunications services within the Commonwealth.

Court rulings and federal regulations have completely changed the operations of the telecommunications industry since the divestiture of American Telephone and Telegraph Co. (AT&T) on January 1, 1984. As a result, the complexity of the issues, the volume of the filings and the number of companies seeking certification to do business have increased dramatically (See Chart 3.)

Competition is increasing in Massachusetts' telecommunications industry. The Telecommunications Division has worked to implement Department policies that allow telephone customers in Massachusetts to enjoy the benefits of competition, while retaining reasonable, affordable and high-quality telephone service.

Year's Progress

Rate Reduction

The Tax Reform Act of 1986 reduced the corporate income tax rate from 46% to 34%, lowering tax expenses for all corporations. In order to ensure that customers shared in the cost reductions resulting from the changes in the tax laws, the Department in D.P.U. 87-21-B ordered New England Telephone (NET) to reduce its rates by approximately 3%, thereby reducing its revenues by \$36 million, and ordered AT&T to reduce its rates by .671%, thereby reducing its revenues by \$396,000.

New England Telephone

Access Tariffs

In D.P.U. 86-124, the Department examined NET's proposed access tariffs, which set rates for the services NET provides to the other telecommunications carriers operating within the Commonwealth. Access rates are one of the major cost components for providing long distance telephone service within the Commonwealth. Long distance carriers (such as AT&T, MCI, and US Sprint) use these access rates when determining intrastate long distance rates. The Department determined NET's proposed rates were just and reasonable.

Provision of

Service by Other

Telecommunication

Carriers

In order to begin competition within the area codes on December 1, 1986, the Department examined the capabilities of all the carriers that wanted to compete. In its Order in D.P.U. 85-268/85-288, IntraLATA Competition, the Department certified and approved specific rates for each of the following carriers:

Allnet Communications Services, AT&T Communications of New England, Western Union Telegraph Company, First Phone, MCI Telecommunications Corporation, Satellite Business Systems, TDX Systems, Petricca Communications Systems, GTE Sprint Communications Corporation, and US Telecom - Communications Service Company.

Pay Phones and Shared Tenant Services

The Department's Order in D.P.U. 86-124 established rates and regulations which allowed customers to own and operate their own coin telephones. The Order also approved sharing of telecommunications services by customers in commercial buildings.

Group Bridging

In March 1987, the Department opened an investigation into the provisions of Group Bridging Services (GBS), which allows customers to be linked in a group conversation over NET telephone lines. The Department had received numerous complaints regarding the cost of the calls and the content of the conversations since the service began.

The Department's Order in D.P.U. 87-60 established regulations which required the GBS providers to monitor the content of conversations on services used by children and teenagers, to remind all customers of the amount of time elapsed during each call, and to terminate all calls after 10 minutes. The Order also directed NET to develop a service option which allows customers to restrict access to GBS from their home telephones.

Automatic Dialing Regulations

In D.P.U. 87-23, the Department established regulations which allow customers to inform their local telephone company if they do not wish to receive computer-generated advertisements and messages. In response to these regulations, NET filed an implementation plan which will allow customers who do not wish to receive such calls to be placed on a list which will be distributed to the companies that use the automatic dialing systems. These companies are required to delete the telephone numbers on the list from their systems.

New Area Code

On July 16, 1988, the 617 area code will be divided into two area codes. Cities and towns to the west of Route 128 to Worcester will become part of a new 508 area code. NET found it necessary to create a third area code to meet the increased demand for telephone lines resulting from the rapid economic growth in the Commonwealth. The Department is currently monitoring NET's implementation of the 508 area code to ensure a smooth transition for all business and residential customers in the Commonwealth.

Detariffing of Customer Premises Equipment for Independents

The Federal Communications Commission ordered all independent telephone companies to remove the rates for leasing telephone equipment from their tariffs. The Department opened an investigation, D.P.U. 87-36/37/38/39, in

order to ensure that the detariffing is done in a just and reasonable manner. The Commonwealth's four independent telephone companies, Granby Telephone, Taconic Telephone, Richmond Telephone and Elizabeth Islands Telephone, may continue to lease telephones on an unregulated basis.

Centrex Pricing Plans

During the fiscal year, the Department approved individualized pricing contracts for 123 NET customers subscribing to Centrex service. Since the Department found Centrex to be a competitive service in D.P.U. 85-275/276/277, NET may charge each Centrex user a price based on actual cost of serving that customer, rather than charging an averaged tariffed rate to all Centrex customers.

Goals

Cost-Based Rates for NET

In D.P.U. 1731, the Department ordered NET to file cost studies for all its services so that the Department could ensure that NET's rates were cost-based. These studies are being investigated in D.P.U. 86-33. This investigation has been divided into three phases.

In Phase I the Department determined the proper framework for looking at NET's costs. The DPU examined how NET allocates costs and revenues among its different customer classes. The Department also examined how NET determines costs for each of the services it provides.

In Phase II the Department will be examining all of NET's expenses and investments related to the provision of telecommunications services. This investigation will allow the Department to determine the total amount of revenue that NET requires each year to operate, as well as the appropriate return it should be allowed to earn on its investments. The DPU will also be investigating NET's relationship with its parent company, NYNEX, in this phase of D.P.U. 86-33.

In Phase III the Department will establish rates based on the methods ordered in Phase I and the costs identified in Phase II. The DPU will determine the cost of providing business and residential customers with each type of service that NET offers in order to set rates that are just and reasonable.

Quality of Service

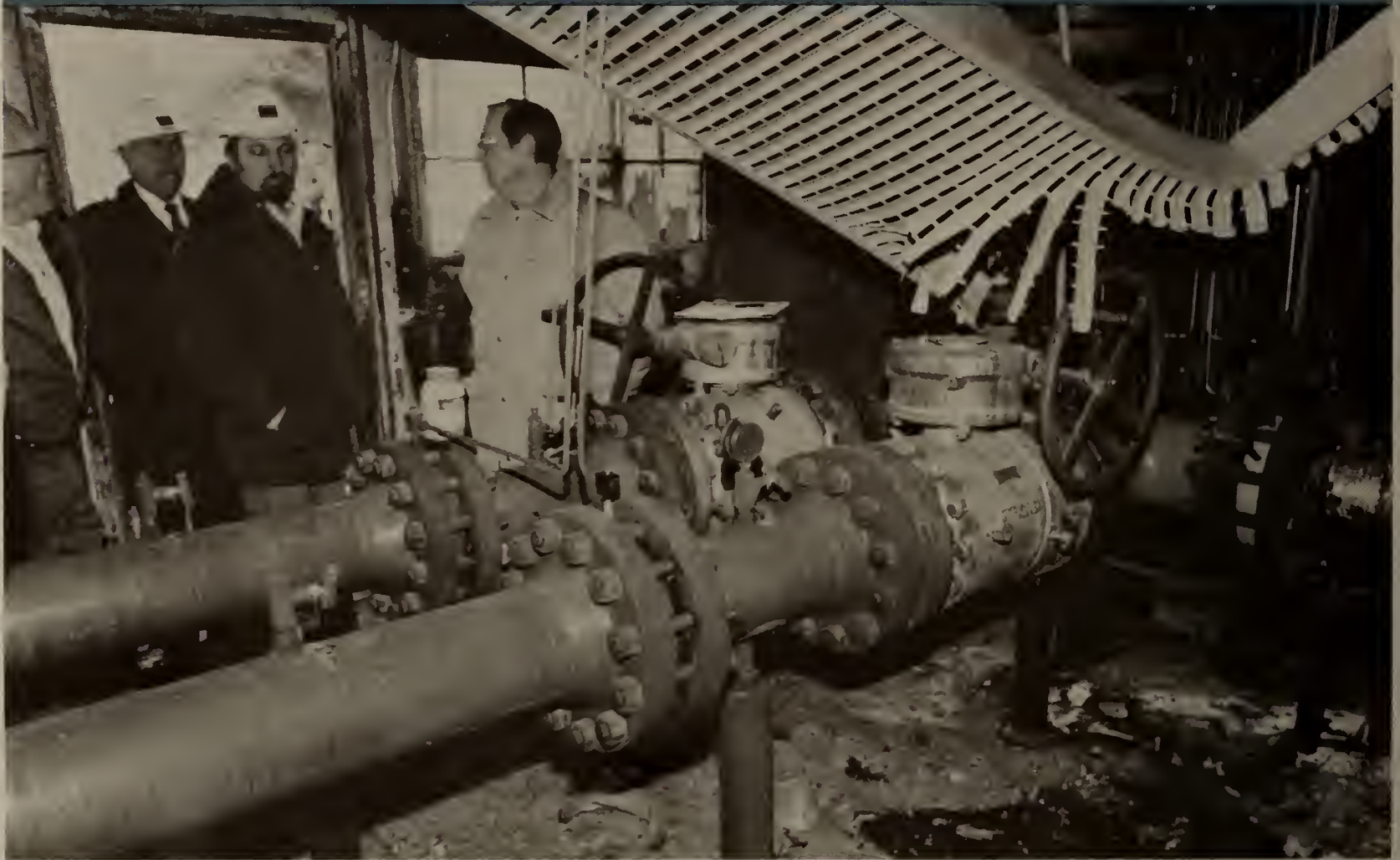
As part of Phase II of D.P.U. 86-33, the Department will be investigating the issues affecting the quality of NET service. The DPU will examine the technical capabilities of NET's network to provide basic dial tone services, as well as newer services such as call waiting, call forwarding, and speed dialing. The Department will also examine how quickly and efficiently NET responds to its customers' requests and problems.

Department of Public Utilities

Telecommunications Filings

	Calendar Year 1985 Filed—Completed		Calendar Year 1986 Filed—Completed		Calendar Year 1987 Filed—Completed (6 months only)	
New England Telephone	29	29	31	33	11	11
New optional services						
Centrex restructure						
Regulations for Automatic Dialers						
Reclassification of exchange rate groups						
Degree of regulation						
Reduction of rates due to Tax Reform						
Area Code investigaton - Town of Walpole						
AT&T Communications of N.E.	4	6	1	1	1	1
New service offerings						
Reduction of rates due to Tax Reform						
Other Common Carriers(OCCs)	56	58	45	46	16	15
Certification to do business						
Initial tariff of proposed rates and charges						
Revisions to existing tariffs introducing new service offerings and/or new rates						
Degree of regulation						
Alternative Operator Services						
Radio Common Carriers	42	47	55	54	28	28
Cellular Resellers, Mobile Telephone & Paging Services						
Certification to do business						
Initial tariff of rates and charges						
Revisions to existing tariffs introducing new services/rates						
Advisory rulings						
Ongoing Investigations Generic Studies and Community Cases						
Investigation into the methodology of NET's costs						
IntraLATA tariffs for OCCs						
Numerous community petitions requesting expansion and/or restructuring of telephone services						
Investigation into the quality of telephone service in various communities						
Investigations into NET's services in the greater Metropolitan area						
Requests for realignment of exchange boundaries						
Investigation into allowing customer owned coin telephones and shared tenant services						

Pipeline Engineering and Safety Division



Responsibilities

The Department's technical and safety responsibilities related to natural gas companies, municipal gas departments and privately owned water utilities are carried out by the Pipeline Engineering and Safety Division.

The Division's most important mission is the protection of the consumer and the general public from the potential hazards involved in the transmission, distribution, production, storage and use of natural gas and supplemental fuel gases.

Staff members inspect pipelines and above-ground facilities that produce liquefied natural gas (LNG), synthetic natural gas (SNG) and propane-air. This involves surveillance of 17,000 miles of gas main and 57 gas plants, serving over 1.1 million customers in the Commonwealth.

Interior of Fitchburg Gas and Electric Meter room showing regulator runs and control line tray damaged by fire.

The duties of the Division involve:

Investigating Accidents

The Division investigates utility accidents which involve property damage, personal injury and fatalities, and makes recommendations for changes in operating, maintenance and safety practices to minimize the possibility of recurrence.

The Division acts as the enforcement authority to resolve problems that result in accidents and damage to underground pipes and cables caused by excavations performed in violation of the Dig-Safe law (G.L. c. 82, sec. 40), and it assesses financial penalties against excavators and operators of gas, electric, telecommunication and cable television companies that do not comply with that law.

Gas Company Oversight

The Division acts as an agent in the state/federal partnership with U.S. Department of Transportation (U.S. DOT). This entails oversight and enforcement of safety regulations over ten private gas companies and four municipal gas departments to ensure compliance with design, construction, operation, maintenance, emergency, and plant security regulations.

The Division monitors the quality of gas (Btu content) and the odorization level of gas delivered to consumers. It also tests gas meters for volumetric accuracy, as required by statute, and tests or oversees the testing of gas, electric and water meters in response to billing complaints by consumers.

Gas Transmission Pipelines

The Division assists the Department's Legal Division by analyzing technical information in petitions from natural gas transmission companies to construct new facilities, including high-pressure pipelines, metering or transfer stations, and road crossings to serve local gas distribution companies.

Gas Meter Accuracy

Gas meter inspectors tested over 192,000 gas meters in FY 1987 before they were installed at consumers' premises. All new gas meters and all those reconditioned after seven years of use must be tested before they are installed. The Division collected \$104,806 in inspection fees. Staff also tested 240 gas meters, 40 electric meters and three water meters in response to customer complaints. Of these, 37 gas meters and one electric meter were found to be inaccurate.

Water Companies

The Division approves private water company plans for proposed distribution systems and helps to resolve technical problems and consumer complaints concerning existing systems.

Year's Progress

During FY 1987, the Division developed and put into effect the procedures and programs necessary to implement the two most important goals to increase public safety that were achieved in FY 1986.

Those goals involved increased safety standards enforcement related to gas pipelines and plants, and enforcement of the Dig-Safe law.

Gas Safety Program

In FY 1986, the General Court passed legislation which enhances the Department's ability to monitor and enforce federal and state safety regulations for gas pipelines, LNG, SNG and propane plants operated by gas companies and municipal gas departments.

In FY 1987, the Department adopted regulations for such activities. Subsequently, U.S. DOT certified Massachusetts under Section 5(a) of the Natural Gas Pipeline Safety Act, which allows the Department directly to control corrective action for noncompliance with regulations and to impose injunctive and monetary sanctions on violators.

The Division discovered 65 violations of federal regulations and four violations of state regulations. Corrective actions were agreed to by six companies under 12 consent orders that were issued by the Division. Civil penalties collected totalled \$68,000.

In addition, U.S. DOT reimbursed the Commonwealth \$108,248 for participation in the program. Division engineers performed over 400 person-days of field inspections.

Dig-Safe Law Enforcement

In FY 1987, the Department adopted regulations to enforce G.L. c. 82, sec. 40, after legislation was passed in FY 1986 granting such authority. The Dig-Safe law requires any contractor or excavator before digging on public or private property, to notify all utilities who have underground facilities. It also calls upon utilities to mark promptly and properly their facilities in areas to be excavated. The purpose of the law is to reduce the possibility of accidents or explosions resulting from inadvertent breakage of utility lines or pipes. The DPU enforces the law through imposition of fines of \$200 for the first offense, and from \$500 to \$1,000 for subsequent offenses.

The new regulations set forth the fundamental procedures for reporting alleged violations, issuance of Notices of Probable Violations (NOPV), and subsequent informal reviews and adjudicatory hearings. In FY87 the Division issued 661 NOPVs. Informal review resulted in the collection of \$49,700 in civil penalties assessed for violations. Only 10 informal decisions were appealed by alleged violators and heard under the adjudicatory process.

Department of Public Utilities

Investigated Incidents

Calendar Years 1985, 1986, 1987

	Company	Location	Cause
1985			
1. 1/12/85	Comm. Gas Co.	Cambridge	Cracked main; gas ignited.
2. 2/7/85	Boston Gas Co.	Woburn	Fire/gas.
3. 2/11/85	Boston Gas Co.	Gloucester	Fire/gas.
4. 2/18/85	Bay State Gas Co.	Halifax	Contractor damage; explosion/fire; 3 injuries.
5. 2/26/85	Colonial Gas Co.	Lowell	Boiler explosion.
6. 3/9/85	Bay State Gas Co.	N. Dartmouth	Explosion/fire.
7. 3/10/85	Comm. Gas Co.	S. Dartmouth	Explosion/fire; 2 injuries.
8. 3/20/85	Comm. Gas Co.	Worcester	Explosion/fire; 2 injuries.
9. 4/30/85	Colonial Gas Co.	Tewksbury	LNG Plant fire.
10. 7/10/85	Boston Gas Co.	Winthrop	Gas leak/evacuation.
11. 7/13/85	Comm. Gas Co.	Natick	Gas leak/evacuation.
12. 7/17/85	Essex County Gas Co.	Topsfield	Explosion/fire.
13. 10/2/85	Boston Gas Co.	Malden	Cracked cast iron pipe; fire.
14. 10/16/85	Bay State Gas Co.	W. Springfield	Explosion in vault; 2 injuries.
15. 11/2/85	Colonial Gas Co.	Lowell	Pipe failure; fire.
16. 11/22/85	Comm. Gas Co.	Holliston	Ignition of pipeline gas; 2 injuries.
1986			
1. 1/5/86	Boston Gas Co.	E. Boston	Cracked cast iron pipe; explosion/fire; 1 injury.
2. 1/11/86	Bay State Gas Co.	Lawrence	Explosion/fire; possible arson.
3. 4/8/86	Boston Gas Co.	Boston	Crack in 6" cast iron main allowed gas into a firehouse.
4. 9/4/86	Boston Gas Co.	Boston	Workman cut gas service line in basement of building being renovated; gas ignited.
1987			
1. 1/5/87	Bay State Gas Co.	Springfield	Explosion/fire; service line failed due to third party damage.
2. 2/17/87	Fitchburg Gas & Electric Co.	Lunenburg	Explosion/fire at pipeline transfer station; failure of pipe due to improper installation.
3. 5/27/87	Boston Gas Co.	Gloucester	Explosion/fire.

A computer database was created to track the work flow on each case, provide statistics and records of damages incurred to underground facilities, monitor chronic violators of the statute, and measure the success of the enforcement program.

The Division used the damage to gas pipelines by excavators as the yardstick in judging the program's success, because those facilities were predominantly damaged in the past and they present the greatest safety hazard to the general public when damaged. The ratio of gas line damages per 1000 calls to the Massachusetts Dig-Safe Center was 9.1 in FY 1986 and 8.0 in FY 1987. It appears that this decrease can be attributed to the Department's program, especially in light of the 16% increase in annual calls to the Dig-Safe Center.

Inspections and Accident Prevention

The Division performed field inspections and investigated four major gas-related fires and/or explosions that occurred in FY 1987. Although the property damage incurred was substantial, there were no personal injuries related to those accidents. The number of serious accidents declined compared to previous fiscal years. (See Chart No 4 listing accidents by calendar years.)

Goals Safety Regulations Review

The Division oversees compliance with gas safety regulations, 220 C.M.R. 100 through 107, pertaining to the production, storage and transportation of natural gas and supplemental fuels. It enforces those regulations by requiring remedial actions to be taken and/or assessment of civil penalties when violations are discovered.

The Division will review those regulations and make recommendations for modifications that will enhance consumer and public safety.

Dig-Safe Law Enforcement

Imprudent excavation activities are the major cause of gas-related accidents and damage to public utility underground facilities in the country and the state. Such damage adversely affects consumers' utility rates and increases personal risk to the public.

The Division will analyze the short-term results of the enforcement program to reduce damage, and make recommendations for modification of Departmental orders and/or statutory amendments, if warranted. The Division will also develop a public information program to increase awareness of the hazards of gas-related accidents and the DPU's role in safety enforcement.

Electric Power Division



Responsibilities

The Electric Power Division is responsible for providing technical expertise the Department needs for the evaluation of issues relating to electric utilities and fuel charge monitoring so that ratepayers are provided with reliable service at the lowest possible rates.

Fuel Charge Monitoring

The responsibilities of the Division include evaluating, adjudicating and recommending the disposition of fuel charges and performance programs proposed by the regulated companies. These requirements are set forth in G.L. c. 164, sec. 94G.

Electricity

The Division is responsible for providing technical assistance to the Commission on all other matters relating to electricity, including:

- short-run rates to be paid to small power producers and cogenerators;
- solicitation process for long-run prices to be paid under contracts with small producers and cogenerators;
- the level of Oil Conservation Adjustment (OCA) charges, to allow the company to recover the cost of converting a generating plant from oil to coal;
- the level of Purchased Power Cost adjustment (PPCA) charges, to reflect changes in rates approved by the Federal Energy Regulatory Commissions (FERC) for retail utilities which purchase all of their power requirements from wholesale companies;
- energy conservation audit program budgets and surcharges such as Mass-Save;
- requests for approval of proposed issuance of new debt or equity by both investor-owned and municipal utilities.

In rate cases, the staff of the Division has responsibility for examining cost of service, rate structure, conservation, and special issues.

In safety and engineering, the Division provides all the technical expertise for transmission line cases, including both electrical considerations and matters of law relating to zoning variances; handles and investigates, as necessary, all outages, and handles matters relating to service extension, safety, and other technical problems.

Year's Progress

Increasing Competition

FY 1987 was a year of increasing competition in the electric utility industry. Following the issuance in August 1986 of new regulations (D.P.U. 84-276-B) governing the sale of electricity between small power producers and cogenerators and electric utilities, the Department began to monitor the bidding procedure required of utilities by its regulations. Boston Edison Company was the first utility to solicit capacity and energy from independent suppliers through the bidding procedure, and received bids for almost 2,000 megawatts (MW) of power in spite of the fact that they only requested 200 MW. From the 61 projects that submitted bids, Boston Edison selected six generating facilities that will provide 348 MW of new capacity at a cost less than that which the Company projected if it produced the power.

In addition, the Department has received several rounds of comments from utilities in the Commonwealth, the Attorney General, the Executive Office of Energy Resources and other parties, regarding implications of increasing competition and the new bidding procedure for the Department's past and future cost-recovery treatment of utility-owned generation investments (D.P.U. 86-36-A). Based on comments received from the first hearings held on this matter, the Department narrowed its preference for future cost-recovery to two alternatives: the used and useful standard combined with a review of the prudence of the utility's investment decisions, or a bidding procedure and preapproved contract in conjunction with the solicitation process for independent suppliers. The Department has asked interested parties to comment further on the practical, as well as the theoretical, aspects of these alternatives. Final regulations will be promulgated upon receipt and analysis of these comments.

Performance Review

During the 1987 fiscal year, the Division conducted annual reviews of generating unit performance for six companies: Boston Edison, Cambridge Electric Light, Commonwealth Electric, Fitchburg Gas & Electric Light, Nantucket Electric, and Western Massachusetts Electric. As a result of these investigations, the Department found that Boston Edison, Cambridge Electric Light, and Commonwealth Electric had failed to make all reasonable and prudent efforts in the operation of their generating units. The Department ordered the companies to refund to ratepayers, with interest, approximately \$600,000 in fuel and purchased power expenses.

Investigation of Outage at Pilgrim: **Boston Edison Company**

In addition, the Department stepped up its activities in the review of Boston Edison's management of its Pilgrim nuclear unit, paying particular attention to the management of the outage which began in April 1986. Under an agreement between the Department, Boston Edison, and the Office of the Attorney General, the Department has deferred its investigation of this outage until after the Pilgrim unit returns to service, now expected in fiscal year 1988. However, Department staff have conducted discovery in connection with the outage, and have attended periodic meetings between Nuclear Regulatory Commission Region 1 officials and Boston Edison management.

Investigation of Generating Unit Performance

Boston Edison Company

The Department investigated the performance of the generating units owned by Boston Edison, during the period from November 1985 to October 1986. By agreement with Boston Edison and the Office of the Attorney General, the Department deferred its review of the performance of Pilgrim from November 1985 to April 1986 until the current outage of that unit is concluded. The Department therefore focused on the Company's fossil-fired units. The Department ruled that Boston Edison was imprudent in performing maintenance at its Mystic 4 unit, and ordered the Company to refund \$432,492 of replacement power expenses which were collected through the fuel charge.

Cambridge Electric Light Company and Commonwealth Electric Company

The Department also investigated the performance of generating units which Cambridge Electric and Commonwealth Electric own, as well as units in which the Companies have long-term entitlements. The Department focused on the performance of the Canal 1 unit, during the period July 1985 to June 1986. This unit is owned and operated by the Companies' affiliate, Canal Electric Company. The Department found that Canal 1's 1986 overhaul was extended approximately eight days as a result of late deliveries of parts by Westinghouse Electric Corporation, which was responsible for a major part of the overhaul. In its Order, the Department directed the Companies to refund replacement power expenses collected for this eight-day period. At the request of the Companies, the Department reopened this proceeding to consider certain evidence that was not available to the Companies during the 90-day proceeding.

Facilities Siting Procedure

Fiscal Year 1987 saw a dramatic increase in filings by electric utilities for permission by the Department to construct additional facilities, principally transmission lines and substations. Division staff provided technical assistance in these proceedings, most notably in the petition of Boston Edison Company to construct a new 345 kilovolt underground transmission line from its Mystic station in Everett to its Kingston Street substation in downtown Boston. Boston Edison Company, D.P.U. 86-255.

Base Rate Cases

Western Massachusetts Electric Company (WMECo) was the only electric utility to ask for an increase in its base rates in FY 1987. WMECo requested the Department's approval of a \$23.5 million increase in its revenue requirements, but the Department approved only an \$11.5 million increase (D.P.U. 86-270-A). The increase was the result primarily of the continued phase-in of the cost of constructing the Millstone 3 nuclear plant. The Department approved in 1986 the five-year phase-in to rate base of 76 percent of WMECo's share of the cost of Millstone 3. The approved revenue increase also reflected the reduction in the federal corporate tax rate and a reduction in the Company's allowed return on equity from 13 to 12.5 percent, reflecting improvements in the financial markets since the Company's last rate case.

The Department found, as a result of its six-month investigation, that WMECo should be more aggressive in its conservation and load management policy for all customers, but particularly for low-income customers.

Federal Tax Reduction

In response to the changes in federal tax laws issued in FY 1987, the Department ordered all utilities in the Commonwealth to file for a reduction in their rates (D.P.U. 87-21). After review of the filings, the Department approved rate reductions ranging from 1 to 3 percent, by applying the lower tax rate to each company's most recently approved revenue requirement and net income level.

Goals

Investigation of Pilgrim Nuclear Generating Plant

Pilgrim, which is owned and operated by Boston Edison Company, has been out of service since April 1986 and is expected to return to service in summer 1988. The Department plans to conduct hearings this year although information on the outage has already been obtained from Boston Edison. The proceeding will determine what portion, if any, of replacement power costs associated with the outage should be collected from ratepayers.

Conservation and Load Management

The Department has consistently urged electric companies to invest in conservation and load management where it is found to be the most cost-effective means of supplying service to customers. Boston Edison Company, D.P.U. 85-266-A/85-271-A; Fitchburg Gas and Electric Light Company, D.P.U. 84-145-A; Western Massachusetts Electric Company, D.P.U. 86-270. In the upcoming year, the Department will initiate a series of informal meetings with the utilities and all interested parties to determine what investments the utilities are making or planning to make in conservation and load management, what type of cost-effectiveness or other screening criteria they are using to make their investment decision, and how conservation and load management are being integrated in each company's long-run supply plan. These informal meetings are intended to create a better understanding, outside of formal rate proceedings, of utility policies in these matters so that steps can be taken to improve performance where necessary.

Rulemaking on Cost Recovery of Investment in New Plant

The Department hopes to complete its investigation of alternative regulatory treatment of utility-owned generation in the upcoming year (DPU 86-36-A). After receiving comments from interested parties on the two alternatives - the used and useful standard combined with a prudence review as applied to the cost recovery of Millstone 3 by Western Massachusetts Electric Company, or a preapproved contract - the Department will proceed to grapple with some of the practical problems presented by these approaches and ultimately will establish regulations or guidelines that establish future cost recovery treatment.

New England Power Pool (NEPOOL)

The NEPOOL is a cooperative organization of New England electric utilities established to provide the least-cost dispatch of the region's generating resources and to set regional capacity requirements. This pooling arrangement has resulted in reduced costs for New England ratepayers compared to the cost of each utility operating on a stand-alone basis.

NEPOOL is regulated by the FERC, not the Department, however, the Department has been stressing to NEPOOL utilities the need to improve the economic incentives of NEPOOL's billing costs and procedures. The Department has also intervened in FERC proceedings to clarify its position. For instance, NEPOOL's current charges for power supplied to utilities that do not maintain generating facilities or purchased power agreements sufficient to meet their load requirements and reserve margin do not reflect the true cost of building and supplying the necessary generation.

In FY 1988, the Department plans to continue pressing NEPOOL to make some necessary changes to the NEPOOL agreement and billing procedures that will help increase the reliability of New England's generating resources and help keep the cost of supply as low as possible.

Rates and Research Division



Responsibilities

The Rates and Research Division provides the Department with technical support in the regulation of the natural gas and privately-owned water distribution companies. The technical support requires expertise in economics, finance, accounting and public policy. The Division staff assist the hearing officers in developing a complete record on which to base the Department decisions in rate cases and other regulatory proceedings.

Change is the hallmark of the current regulatory environment, particularly in the area of natural gas. In the past, natural gas moved from producers through pipelines to local distribution companies, with each sector of the industry owning the gas along the way. Now producers and consumers of gas are interested in making their own business arrangements, using the pipelines to transport interstate gas, and using the local distribution companies to transport intrastate gas for a fee. Federal initiatives such as the Federal Energy Regulatory Commission's (FERC) Order 436 on open access transportation of natural gas have endorsed this approach and now require

action by state utility commissioners to implement the transportation of gas once it gets to the city gate (the point at which the gas leaves the interstate pipeline and enters the local distribution company's system). These changes in regulation regarding gas transportation could allow for purchase of less expensive gas and thus for lower rates.

This change adds to the competitive business environment the Massachusetts gas distribution companies are now facing from interfuel competition, particularly from oil. As the Department responds to federal actions and initiates its own regulatory changes with Massachusetts' special needs in mind, the responsibilities of the Division of Rates and Research range in scope from analyzing the specifics of a rate case to assessing the broad impact of national regulatory change.

In order to protect the public interest, and provide reliable gas service at the lowest possible cost, the Division performs the following functions:

- Develops rates for gas and water companies which provide consumers with accurate price signals;
- Tracks weekly gas supply and sendout during the winter heating season;
- Monitors gas utility filings: monthly cost of gas adjustments, annual reconciliations of costs and revenues, refund programs;
- Reviews sales contracts for the gas utilities under the Department's jurisdiction;
- Analyses policy developments on the national scene that have an impact on the state level and determines whether Department intervention is appropriate.

Year's Progress

One of the Department's objectives has been to move the utilities under its jurisdiction in the direction of cost-based rates allowing for consideration of the impact of those rates on certain customer classes. In FY 1987 the Division has taken a series of steps to help the Department move toward this goal.

Rate Cases

During FY 1987, the Department issued Orders in rate cases filed by Colonial Gas Company (D.P.U. 86-27), North Attleboro Gas Company (D.P.U. 86-86) and Berkshire Gas Company (D.P.U. 86-82). In both North Attleboro and Berkshire, precedent-setting cases, the Department was able to achieve its goal of setting seasonal marginal-cost-based rates which allow for the fluctuation of rates to reflect seasonal shifts in fuel costs and provide accurate price signals for customers. Two gas companies, Essex Gas Company (D.P.U. 87-59) and Commonwealth Gas Company (D.P.U. 87-122), have filed rate cases in FY 1987. Because there is a six-month suspension period during which a case is heard, the Department did not issue Orders in these cases during the fiscal year.

Colonial Gas

In an earlier proceeding, D.P.U. 84-94, the Department had ordered Colonial Gas Company to file an embedded cost of service study, a marginal cost study and marginal-cost-based rates. To comply with this Order the Company filed the requested matters in D.P.U. 86-27 and in addition proposed a cogeneration and a partial-requirements gas rate. Under the Company's proposal, the cogeneration rate would be available to any customer who used all gas delivered for cogeneration. The partial-requirements rate would be available to any commercial or industrial customer having boilers or process equipment capable of operating on two or more alternative fuels. The Department rejected the Company's proposed cogeneration and partial-requirements rates based on the finding that the proposed rates reflected end-use, not cost-incurrence. The Department also rejected the Company's embedded cost of service study. Instead, the Department has kept the docket open to continue investigation of the Company's cost of service study and marginal cost study and in order to develop a rate design that yields seasonal marginal-cost-based rates. The Department plans to issue an Order in FY 1988 in this case.

North Attleboro Gas Company

In its November 1986 decision, the Department issued an Order that defined a revenue deficiency of \$164,000 and established a rate design for the Company based on seasonal marginal costs. Rates were designed such that marginal energy and demand charges are set on the basis of seasonal marginal costs. This approach to rate design gives North Attleboro customers price signals about the seasonal variations in the cost of their incremental gas consumption.

Berkshire Gas Company

In its November 1986 decision, the Department issued an Order and accepted a stipulation, jointly offered by the Company and the Attorney General, for a revenue increase of \$2,048,000. In this decision, the Department enunciated criteria for cost allocation, weather normalization and marginal cost analyses. Rates were set to achieve fully equalized rates of return based on marginal costs. The Department rejected Berkshire's proposed creation of a cogeneration rate and its proposed dual-fuel rate. The Department did allow the Company to establish a firm off-peak rate, retitled Interruptible Sales Service, for those interruptible customers capable of switching to oil on an hour's notice, as long as the sale meets the Department's avoidable cost criteria. The Department also approved the Company's proposed off-peak transportation rate (Interruptible Transportation), making Berkshire the first gas company in the Commonwealth to be able to implement interruptible transportation through a tariff.

Water Cases

During FY 1987, the Department issued rate Orders on four water cases. The companies requesting rate increases totalling \$3,189,264 were Dedham Water (D.P.U. 86-122), Dover Water (D.P.U. 86-26/86-79), Oxford Water (D.P.U. 86-172), South Egremont Water (D.P.U. 86-149) and Wylde Wood Water (D.P.U. 86-93). Dedham Water withdrew its rate case. Of the remaining cases, the companies sought rate increases of \$230,472 and the Department allowed increases totalling \$98,947.

Federal Tax Reduction

In response to changes in federal tax laws issued in FY 1987, the Department ordered all utilities in the Commonwealth to file for a reduction in their rates (D.P.U. 87-21). After review of the filings, the Department approved rate reductions ranging from 1 to 3 percent by applying the lower tax rate to each gas company's most recently approved revenue requirement and net income level.

Non-Rate Cases

Over the course of the year, the Department also issued Orders on a gas company financing, Boston Gas (D.P.U. 86-248), and on a financial guarantee, Bay State Gas (D.P.U. 86-268). In D.P.U. 86-169, Colonial Gas sought the Department's approval to establish a separate cogeneration subsidiary. The Department is considering but has not yet issued an Order on this request.

The Cost of Gas Adjustment (D.P.U. 1669-C)

The Department issued an Order revising its cost of gas adjustment clause (CGAC), which appears on consumers' monthly gas bills. The CGAC adjusts existing sales to reflect changes in a utility's gas supply costs, supplier refunds, profit margin on interruptible sales and previous over and under-collections by the companies. The Department's new clause is a seasonal gas adjustment clause, which will provide a clearer indication of the significant price differentials in seasonal gas costs. During FY 1987, the Department

also held technical conferences with each company to determine how the new clause would operate for each company and to establish an implementation schedule.

Transportation (D.P.U. 85-178)

One of the most significant gas policy issues under consideration today is "open access transportation" of gas directly from producers to end-users. In 1985 FERC Order 436 revolutionized the industry's structure by initiating the process for achieving direct access from producer to end-user. In part as a result of geography and in part as a result of its unique supply situation, Massachusetts and its local distribution companies have had special concerns about implementation of this Order and subsequent FERC Orders relating to transportation.

To respond to Order 436 and to encourage competition on the state level, the Department opened a two-part investigation into intrastate transportation. In the first phase of this ongoing investigation, the Department held a generic hearing to address the complex issues raised by gas transportation within the context of Massachusetts' specific needs. The next phase of the investigation will entail an examination of the Massachusetts gas market, with focus on the changes brought about by regulatory reform and market restructuring throughout the country.

Throughout FY 1987, the Department considered the comments received from the companies and interested parties in this case before issuing an Order in Phase I of this case. The Department's Order required all gas companies (1) to provide interruptible transportation on a value of service basis through standard-offer contracts to be filed with the Department; (2) to provide firm transportation on a gross-margin basis for some interim period; and (3) to respond to additional questions from the Department on the future regulatory framework for natural gas in Massachusetts. The docket in this case will remain open while the Department continues to examine the responses to the questions it has posed in Phase I and analyzes how the change on the national level in the area of natural gas regulation will affect Massachusetts from the perspective of price and supply.

Ongoing Responsibilities

Interruptible Sales Review

Interruptible sales are gas sales to customers that have dual-fuel-burning capabilities and therefore can have their gas shut off when prices rise or supplies are short. Firm customers have no alternative fuel source and must remain on the system. The Division continued to review the interruptible sales policies of gas companies in order to ensure maximum benefit to firm ratepayers so that companies comply with the Department requirements that prohibit interruptible sales where the selling price is below the avoidable cost of supply.

Intervention at the Federal Level

The Division is taking a more active role in monitoring activities at the FERC, a task of increasing importance in the evolving gas market. A representative from this Division has attended monthly FERC meetings, has met with FERC staff on a regular basis and provides the Commissioners with updates on federal policies. Over the next fiscal year, the Division will continue its monitoring role, with an emphasis on how national regulatory policies will affect gas price and gas supply in Massachusetts.

Goals

The Division will have the opportunity to effect many of its goals over the next year by participating in economic analyses of gas company rate cases currently before the Department. The key issue under consideration is how to move gas and water utilities toward cost-based rates through the application of marginal cost pricing methods. The steps taken in 1986 have accelerated the Department's progress in this direction.

The Division will continue to develop an approach to state regulation that accomplishes the following objectives:

- To move gas and water utilities toward cost-based rates that reflect the cost of serving their different classes of customers;
- To encourage gas utilities in Massachusetts to operate effectively, competitively and innovatively within the changing regulatory environment;
- To monitor utilities' ongoing operations to ensure adequate resource supply, reliable service and compliance with Department Orders;
- To identify regulatory trends and issues on a national level that will affect the energy situation in Massachusetts;
- To provide consumers with a regulatory framework that sends water and gas consumers clear price signals while satisfying the Department's goal of fairness in rates and service;
- To monitor the effect of federal and state legislation setting standards for safe drinking water, regulations that will have extensive impact upon small private water companies.

Rail and Bus Division



Responsibilities

The Railway and Bus Division has two major responsibilities: ensuring the safety of the traveling public on railroads, rapid transit trains, streetcars and buses within the Commonwealth; and certification of transportation services to operate if they prove that they serve the public convenience and necessity.

Although the Interstate Commerce Commission, through the Bus Regulatory Reform Act of 1982, has either preempted or provided an appeal from many state regulatory decisions relative to interstate entry and exit operations, the Division retains the responsibility for all safety regulations, and for issuance of certificates, licenses and permits for intrastate operations.

Safety

The Railway and Bus Division promotes the safety of the general public during intrastate travel by railroad, street railway, rapid transit train, bus or trackless trolley, through the application of existing safety rules, regulations and laws. The Division further promotes safety by making recommendations for the alteration and improvement of such rules, regulations and laws by constant study and surveillance.

Certification of Carriers The Division conducts hearings to authorize or to make any change in carrier operations to ensure that public convenience and necessity are satisfied.

**Year's Progress
Statistics**

More than 9750 inspections of rail and bus equipment were made and 430 bus safety operating violations were cited. This resulted in removal from service of defective equipment until corrective actions were taken to comply with Departmental regulations.

A total of 209 railroad and bus accidents were investigated to determine the cause and to make recommendations for improving safety procedures.

The Division issued 9734 D.P.U. licenses, 4957 bus permits, nine certificates, 42 transferred certificates, 17 charter licenses and 11 transferred Charter Licenses. The Division conducted 62 hearings and issued 70 orders relating to rail and bus activities.

**Goals
Training**

The Division plans to continue its program of training of inspectors in both bus and rapid transit safety operations.

Automated Records

The records of the Division have been placed on computers and inactive companies have been identified. Hearings will be scheduled to revoke the operating authority of companies which no longer provide service under the requirements of the Department.

Review Regulations

A complete review of the DPU's rules and regulations pertaining to motor bus operations is planned to update the procedures by which the Department regulates the carriers under its jurisdiction. To be included in the updating will be safety standards for the operation of wheelchair lifts to accommodate the handicapped traveller.

Department of Public Utilities

Rail and Bus Division Workload Statistics

Activity	FY 1986	FY 1987	% Change 1986–1987
Inspections of rail and bus equipment	7,679	9,756	+ 21%
Bus violations cited	412	430	+ 04%
Rail and bus accidents investigated	148	209	+ 29%
DPU licenses issued	11,560	9,734	– 15%
Bus permits issued	5,138	4,957	– 03%
Bus certificate and charter license applications	44	79	+ 44%
Hearings held	67	62	– 07%
Orders issued	86	70	– 18%

Commercial Motor Vehicle Division



Responsibilities

Certification of Motor Vehicle Carriers

The Commercial Motor Vehicle Division's primary function is the regulation of motor vehicle carriers which transport property for hire. A carrier must obtain a certificate or permit from the DPU before providing service. Certificates and permits are issued only after a public hearing where a determination is made that the applicant is fit and the service is needed.

Protecting Consumers from Unfair or Unsafe Practices

An equally important function of the Division is the protection of both consumers and shippers from unfair and deceptive practices by some carriers. All carriers are required to file with the Division their rates and charges for the services they are authorized to perform.

Each year the Division investigates hundreds of complaints from consumers alleging overcharges or inadequate service by a carrier. If complaints cannot be resolved informally, they are adjudicated at a formal complaint hearing. Carriers found guilty of serious or repeated illegal practices may have their license to operate suspended or revoked.

The Division's duties include:

Monitoring over 7,900 carriers providing regular route, irregular route and contract carrier services within the Commonwealth (an increase of 13% over FY86);

Overseeing operations of over 9,000 interstate carriers;

Processing applications for and issuing over 360,000 distinguishing stamps and decals which identify the carrier as one certified to provide service within the state (an increase of 16% over FY 1986);

Processing over 2,500 tariffs setting rates for commercial motor vehicles;

Answering over 26,000 phone inquiries annually from carriers, shippers and individual consumers;

Investigating over 450 complaints a year from shippers and individual consumers (an increase of 11% over FY86);

Processing over 3,800 applications for certificates, permits and licenses annually (an increase of 33% over FY86);

Holding over 1,000 public hearings annually (an increase of 33% over FY86);

Performing administrative audits of regulated carriers;

Maintaining an office in Springfield to facilitate regulation of carriers and to respond to public inquiries in western Massachusetts.

Year's Progress

Interstate Carriers

Reflecting changes in the industry nationwide, FY 1987 saw a 17% increase in the number of new applications. Interstate carrier registration revenues increased as new carriers entered the market as a result of deregulation.

As part of the continuing effort to streamline procedures, the Division is participating in proposals from the National Association of Regulatory Utility Commissioners (NARUC) and the National Governors Association (NGA) for a nationalized system of coordinated registration for interstate carriers.

Automated Records

With the completion of the Division's automated database, over 6,000 inactive carriers were purged from the interstate files.

The Division, by using the database, sent preprinted renewal applications to intrastate carriers for the first time in FY 1987. Revenues were received in a more timely fashion and delinquent carriers decreased by more than 50%. By using this method, minor corrections are made to the data entry and the Division is able to purge its files on an annual basis.

Public Education

The Division has developed and implemented a series of workshops on police-ordered towing and storage to explain the maximum charges for these services and provide technical assistance for groups involved with this issue. Seminars and workshops were held for the insurance industry, private businesses and municipalities to explain the CMVD's role in towing and storage and to avoid overpayment for these services.

Increase in Applications

Statistical information shows a significant increase in new and amended applications for FY 1987. This increase results in part from the Department's attempt to reduce unnecessary barriers to market entry. This approach has significantly increased the number of applicants in the central and southeastern parts of Massachusetts extending new service choices to the public in these areas.

Goals

The Department anticipates continued increases in applications and revenues in the light of several major construction projects planned for eastern Massachusetts in the coming year. We expect to meet this demand by developing and conducting seminars for applicants. These seminars relating to tariffs, Department rules and regulations, and related laws will be conducted by Department staff.

The Department also envisions the creation of an industry advisory bulletin. This form of communication between the industry and the Department should alert the industry to changes in related laws, rules and regulations.

The Department will expand its effort to provide consumer information on towing and moving in Massachusetts. More workshops are planned and in addition, the Department will publish and distribute two recently developed pamphlets. The pamphlets, entitled "Moving in Massachusetts" and "Towing in Massachusetts" provide consumer tips and will inform the public concerning their rights and the Department's role in these two areas.

The Department will review its regulations to determine the extent to which the rates and charges of commercial carriers are set by regulation and make changes as necessary and appropriate.

Department of Public Utilities

Funding and Revenues

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Funding and Revenues



Funding

Funding for the DPU comes from three main sources: (1) general appropriations; (2) general appropriations that are reimbursed by assessments on the regulated utilities; and (3) direct assessments on selected regulated utilities. (Chart 5 shows the mix of funding authorized for fiscal year 1987.) A history of each of these funding sources is given below.

General Assessment

Since 1971, the DPU has had statutory authorization to make an assessment against each electric, gas, telephone and telegraph company under its jurisdiction. Chapter 1093 of the Acts of 1981 (inserting Section 17 into Chapter 25 of the General Laws) provided that these assessments would produce \$250,000 in revenues from Massachusetts utility companies up through 1980. Section 17 was further amended by Chapter 349 of the Acts of 1980, resulting in a doubling of the maximum allowable assessment to

Operators in the control room of Canal Electric in Sandwich, MA.

\$500,000. These funds were to assist in defraying the general operating expenses of the DPU and to compensate consultants in hearings on rate petitions filed by companies subject to assessment.

General Administration Reimbursement

Chapter 68A of the Acts of 1975 further amended Chapter 25 of the General Laws by adding a new section, section 18. Section 18 provided that the Commission be authorized to make an additional assessment against each electric, gas, telephone and telegraph company under the jurisdiction of the DPU. This assessment was designed to produce not more than \$1.5 million in FY 1976 and \$1.75 million in subsequent fiscal years to reimburse the Commonwealth for funds appropriated by the Legislature for the operation and general administration of the DPU in the fiscal year in which the assessment is made. Revenues from this assessment cannot exceed the appropriation by the Legislature for the DPU in the corresponding fiscal year.

State Budget Expense

The expenses for the Commercial Motor Vehicle and the Railway and Bus Divisions are not considered in the reimbursement process since common carriers and the railway and bus companies have no assessment levied against them. These companies are subject to DPU fees for services such as licensure, inspection, examination, and so on. Although funding for the transportation divisions comes directly from the Commonwealth, the revenues they generate far exceed their expenses. These revenues revert to the general fund of the Commonwealth and do not directly support the activities of the DPU.

Electric Power Fuel Bureau Assessment

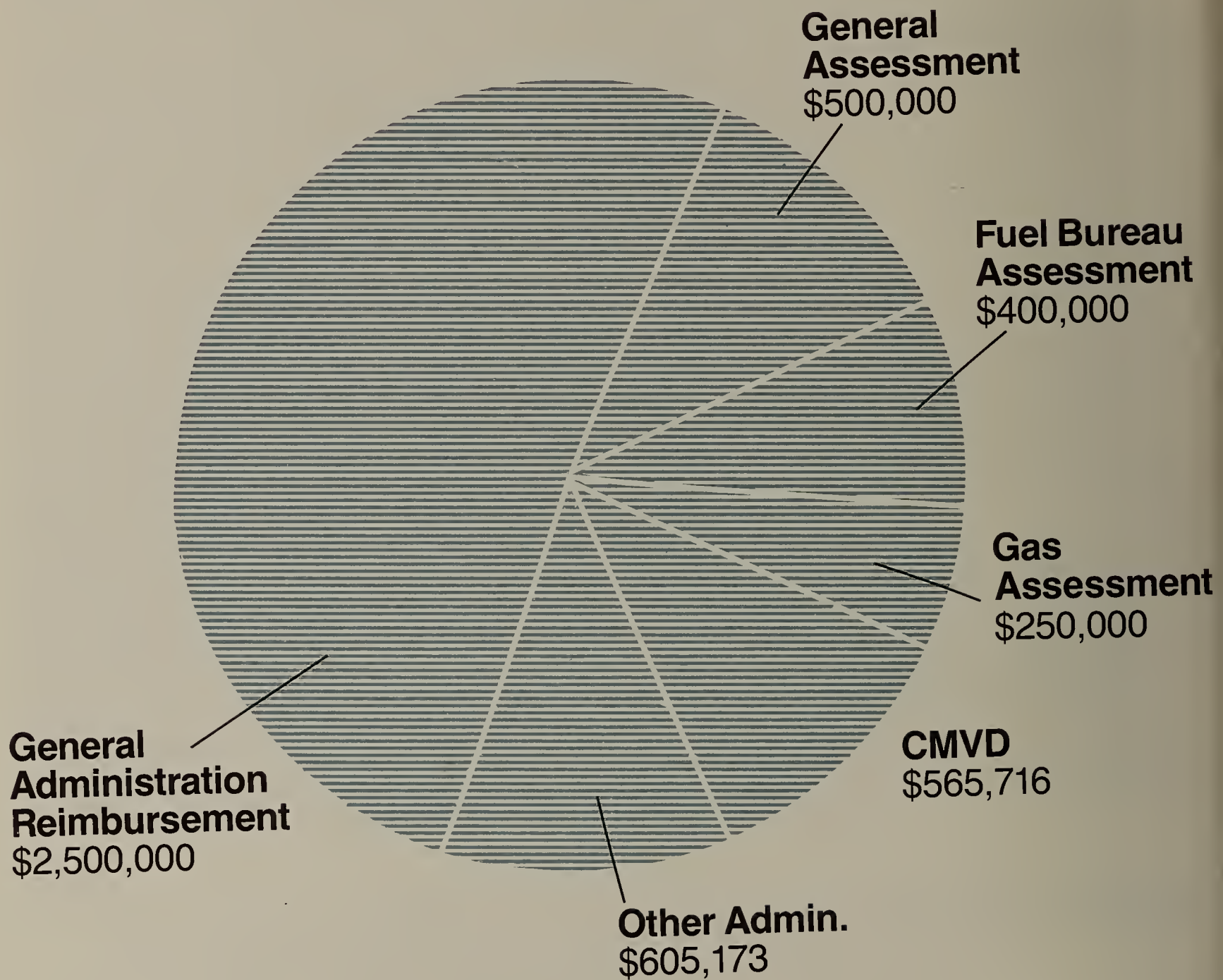
Another assessment account was added by Chapter 375 of the Acts of 1981 to fund the Fuel Charge Monitoring Bureau within the Electric Power Division. This \$400,000 assessment was established to support the Bureau's monitoring of fuel adjustment charges and other matters related to the operation of the regulated electric companies. The assessment is derived directly and solely from the regulated electric companies and has not changed since it was initiated.

Generating Revenues

In the course of fulfilling its many regulatory functions, the Department receives substantial revenues from the various fees it charges for filing petitions, conducting inspections, and issuing service authorizations. The funds received go to the Commonwealth's general fund and are substantially greater than the Department's annual appropriation. Chart 6 demonstrates this fact for the last two fiscal years.

Department of Public Utilities

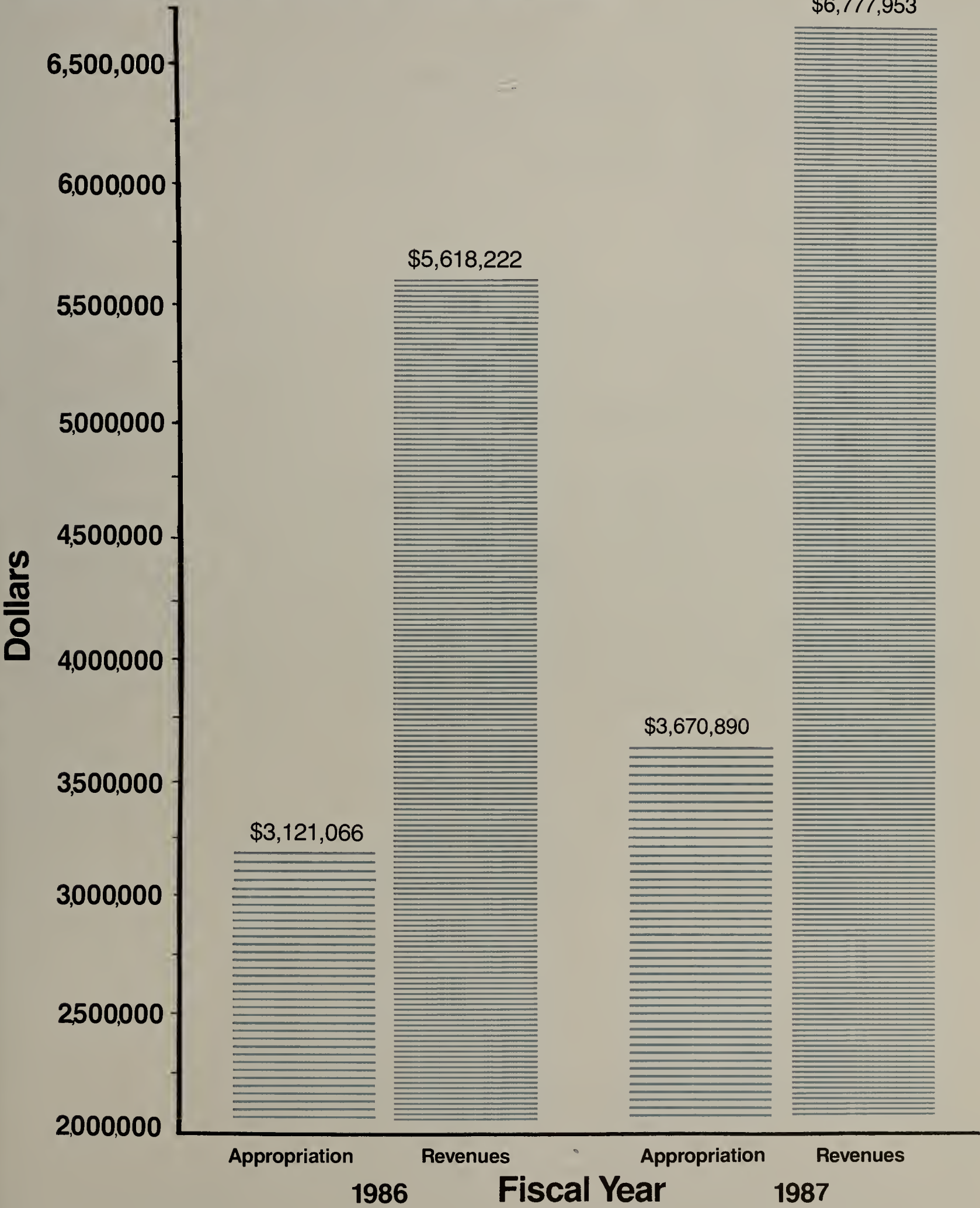
Funding Sources—Fiscal Year 1987



TOTAL: \$4,820,889
State Treasury Portion: \$1,170,889

Department of Public Utilities

Appropriations vs. Revenues



In FY 1987, the Department collected the following direct revenues in addition to the assessment and reimbursement accounts:

Revenues Derived from Fees and Licenses

<u>Administration:</u> Filing fees, certifications, copies, Dig-Safe civil penalties	\$ 241,551
<u>Commercial Motor Vehicle Division:</u> Fees for licenses, certificates, decals, permits and filings	2,457,561
<u>Engineering:</u> Fees for gas meter testing, DOT reimbursements	218,766
<u>Railway and Bus:</u> Fees for licenses and permits	<u>210,075</u>
Total Revenues derived from fees and licenses	\$3,127,953

Department of Public Utilities

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Appendix Listing of Regulated Companies



Telephone Companies

ACC Long Distance Corp.
39 State Street
Rochester, NY 14614

AT&T Communication of New England, Inc.
99 Bedford St.
Boston, MA 02110

Allnet Communications Services
P.O. Box 6911
Chicago, IL 60680

Cable & Wireless Communications, Inc.
1919 Gallows Road
Vienna, VA 22180

Elizabeth Islands Tel. Co.
c/o J.M. Forbes & Co.
24 Federal St.
Boston, MA 02110

First Phone, Inc.
180 Bent St.
Cambridge, MA 02138

Granby Telephone Co.
215 State St.
Granby, MA 01033

MCI Telecommunications Corp.
5 International Drive
Rye Brooke, NY 10573

New England Telephone Co.
185 Franklin St.
Boston, MA 02110

RCI Corporation
333 MetroPark
Rochester, NY 14623

Richmond Telephone Co.
P.O. Box 75
Richmond, MA 01254

Satellite Business Systems
5 International Drive
Rye Brook, NY 10573

Taconic Telephone Co.
Taconic Place
Chatham, NY 12037

US Sprint
1850 M St., NW, Suite 1110
Washington, DC 20036

Western Union
1828 L St., NW
Washington, DC 20036

Radio Common Carriers

A.F. & L. Tel. Service
P.O. Box 742, 160 Highland Ave.
Leominster, MA 01453

Aircall Northeast, Inc.
200 Essex St.
Lawrence, MA 01840

Arch Connecticut Valley, Inc.
1329 River St.
West Springfield, MA 01089

Bellboy
New England Tel. Co.
185 Franklin St.
Boston, MA 02107

Berkshire Communicators, Inc.
P.O. Box 574, 603 Fairview St.
Pittsfield, MA 01201

Boynton Communications, Inc.
77 Reservoir St.
No. Attleboro, MA 02760

Chayce 'n' You
546 County St.
New Bedford, MA 02740

Colgan Communications, Inc.
d/b/a: Beeper Marketing, Inc.
85 River St.
Waltham, MA 02154

Metromedia Paging Service
d/b/a Comex, Inc.
15 Soldiers Field Place
Brighton, MA 02134

Communications Electronics
d/b/a Worcester Communications
975 Millbury St.
Worcester, MA 01607

Haverhill Answering Service
P.O. Box 128, 50 Marsh Ave.
Haverhill, MA 01831

J.K. Communications
2 Keep Avenue
Paxton, MA 01612

Mass.-Conn. Mobile Tel. Co.
d/b/a Message Center
40 Woodland St.
Hartford, CT 06105

McCaw Personal Communications, Inc.
P.O. Box 97060
5808 Lake Washington Blvd.
Kirkland, WA 98083

Metromedia, Inc.
d/b/a Mobilephone-Paging Radio
15 Soldiers Field Place
Brighton, MA 02134

Metromedia, Inc.
d/b/a Zip-Call, Inc.
15 Soldiers Field Place
Brighton, MA 02134

Metromedia, Inc.
d/b/a Tel. Ans. Svc. of Taunton
15 Soldiers Field Place
Brighton, MA 02134

MetroNet, Inc.
341 South Main St.
Providence, RI 02903

Mobilecomm of New York, Inc.
1500 Capital Towers
Jackson, MS 39201

Nynex Paging
One Blue Hill Plaza
Pearl River, NY 10965

Omni Tech, Inc.
d/b/a Page-Call, Inc.
P.O. Box 345
Lynn, MA 01904

Radio Exchange, Inc.
31 Dartmouth St.
Lawrence, MA 01841

RAM Communications of Mass.
235 Bear Hill Rd.
Waltham, MA 02154

Rivers Associates, Inc.
47 Berry Street Ext.
Fitchburg, MA 01420

Spectratel, Inc.
2550 Fifth Ave., Suite 124
San Diego, CA 92103

T-COM, Inc.
P.O. Box 3005, 2 North Plaza
Jackson, MI 49204

Telecommunications Network, Inc.
146 Midland Ave.
Kearny, NJ 08610

Thompson Paging & Radio Telephone Service
Shepardson Rd.,
Warwick, MA 01364

Ken Warren Associates, Inc.
91 Dalton Avenue
Pittsfield, MA 01201

Cellular Carriers — Wholesale

New Bedford Cellular Company
110 E. 59th St., 36th floor
New York, NY 10022

New York CGSA
NYNEX Mobile Comm.
1 Blue Hill Plaza
Pearl River, NY 10965

Springfield Cellular Telephone Company
110 E. 59th St., 36th floor
New York, NY 10022

Worcester Telephone Company
d/b/a Metromedia Cellular Services, Inc.
190 Second Street
Waltham, MA 02154

Yankee Celltoll Company
d/b/a Metromedia Cellular Services, Inc.
190 Second Ave.
Waltham, MA 02154

Cellular Resellers

A Beeper Co. Association
d/b/a A Cellular Company
3340 Peachtree Rd., N.E. Suite 2750
Atlanta, GA 30026

American Mobile Communications, Inc.
222 Forbes Rd., Suite 106
Braintree, MA 02184

Cellular Service Bureau
P.O. Box 12660, 40 Woodland St.
Hartford, CT 06105

Cellular Telephone Services, Inc.
106 Hobart St.
Hackensack, N.J. 07601

Intelecom Corporation
303 E. 17th Ave., Suite 200
Denver, Colorado 80203

Motorola Cellular Services, Inc.
222 Forbes Road, #105
Braintree, MA 02184

Nationwide Cellular Services, Inc.
648 Highland Ave.
Needham, MA 02194

New York CGSA, Inc.
One Blue Hill Plaza
Pearl River, NY 10965

Unicell Corporation
177 E. 87th St., Suite 401-A
New York, NY 11954

Yankee Celltoll Reseller
190 Second St.
Waltham, MA 02154

Gas Companies

Bay State Gas Company
120 Royall St.
Canton, MA 02021

The Berkshire Gas Company
115 Cheshire Rd.
Pittsfield, MA 01202

Blackstone Gas Company
P.O. Box 162, 3C Main St.
Blackstone, MA 01504

Boston Gas Company
One Beacon St.
Boston, MA 02108

Colonial Gas Company
Cape Cod Division
P.O. Box 1360
Hyannis, MA 02601

Colonial Gas Company
Lowell Division
40 Market St.
Lowell, MA 01853

Commonwealth Gas Company
P.O. Box 9150, 1 Main St
Cambridge, MA 02142

Essex County Gas Company
P.O. Box 500, 7 N. Hunt Ave.
Amesbury, MA 01912

Fall River Gas Company
P.O. Box 911, 155 N. Main St.
Fall River, MA 02722

Fitchburg Gas and Electric Light Company
P.O. Box 2070, 285 John Fitch Highway
Fitchburg, MA 01420

North Attleboro Gas Company
100 Weybosset St.
Providence, RI 02889

Municipal Gas Companies

City of Holyoke Gas and Electric Department
70 Suffolk St.
Holyoke, MA 01040

Middleborough Gas and Electric Department
Town Hall, Nickerson Ave.
Middleborough, MA 02346

Wakefield Municipal Light Department
P.O. Box 190, 9 Albion St.
Wakefield, MA 01880

Westfield Gas and Electric Light Department
100 Elm St.
Westfield, MA 01085

Electric Companies-Retail Companies

Boston Edison Co.
800 Boylston St.
Boston, MA 02199

Cambridge Electric Light Co.
P. O. Box 190, 675 Massachusetts Ave.
Cambridge, MA 02139

Commonwealth Electric Co.
P. O. Box 190, 675 Massachusetts Ave.
Wareham, MA 02571

Eastern Edison Co.
P.O. Box 543, 750 W. Center St.
W. Bridgewater, MA 02379

Fitchburg Gas & Electric Light Co.
P. O. Box 2070, 285 John Fitch Highway
Fitchburg, MA 01420

Massachusetts Electric Co.
25 Research Drive
Westborough, MA 01581

Nantucket Electric Co.
Fairgrounds Rd.
Nantucket, MA 02554

Western Massachusetts
Electric Co.
P.O. Box 2010
W. Springfield, MA 01090

Wholesale Companies

Canal Electric Co.
675 Massachusetts Ave.
Cambridge, MA 02139

Holyoke Power & Elec. Co.
1 Canal St.
Holyoke, MA 01040

Holyoke Water Power Co.
1 Canal St.
Holyoke, MA 01040

Massachusetts Municipal Wholesale
Electric Co.
Stony Brook Energy Center
P.O. Box 426
Ludlow, MA 01056

Montaup Electric Co.
P.O. Box 391
Fall River, MA 02722

New England Power Co.
25 Research Drive,
Westborough, MA 01581

Yankee Atomic Electric Co.
1671 Worcester Rd.
Framingham, MA 01701

Municipal Lighting Plants

Ashburnham Municipal Light Station
86 Central St.
Ashburnham, MA 01430

Belmont Electric Light Department
450 Concord Ave.
Belmont, MA 02178

Boylston Electric Light Department
Sanitarium Rd.
Boylston, MA 01050

Braintree Electric Light Department
44 Allen St.
Braintree, MA 02184

Chester Municipal Electric Light Department
Middlefield St., Box 307
Chester, MA 01011

Chicopee Electric Light Department
725 Front St., Box 89
Chicopee, MA 01013

Concord Municipal Light Plant
134 Keyes Road
Concord, MA 01742

Danvers Electric Department
2 Burroughs St.
Danvers, MA 01923

Georgetown Electric Department
Moulton St.
Georgetown, MA 01830

Groton Electric Department
Station Ave.
Groton, MA 01450

Groveland Light Department
23 School St.
Groveland, MA 01830

Hingham Electric Light Department
19 Elm St.
Hingham, MA 02043

Holden Municipal Light Department
Reservoir St.
Holden, MA 01520

Holyoke Gas & Electric
70 Suffolk St.
Holyoke, MA 01040

Hudson Light and Power Department
49 Forest Ave.
Hudson, MA 01749

Hull Electric Light Department
Drawer "C"
Nantasket Beach, MA 02045

Ipswich Electric Light Department
222 High St.
Ipswich, MA 01938

Littleton Electric Light & Water Department
Whitcomb Ave.
Littleton, MA 01450

Mansfield Municipal Light Department
50 West St.
Mansfield, MA 02048

Marblehead Municipal Light Department
80 Commercial St., P. O. Box 369
Marblehead, MA 01945

Merrimac Light & Water Department
2 School St.
Merrimac, MA 01860

Middleborough Municipal Gas & Electric Department
Town Hall, Nickerson Ave.
Middleborough, MA 02346

Middleton Municipal Light Department
96 Maple St.
Middleton, MA 01949

No. Attleborough Electric Department
P.O. Box 790, 78 No. Washington St.
N. Attleborough, MA 02761

Norwood Electric Light Department
206 Central St.
Norwood, MA 02062

Paxton Municipal Light Department
578 Pleasant St.
Paxton, MA 01612

Peabody Electric Light Department
P.O. Box 3209, 70 Endicott St.
Peabody, MA 01960

Municipal Lighting Plants (cont.)

Princeton Electric Light Department
P.O. Box 247, Princeton Center
Princeton, MA 01541

Reading Municipal Light Department
P.O. Box 150
Reading, MA 01867

Rowley Electric Light Department
47 Summer St.
Rowley, MA 01969

Russell Municipal Light Department
Town Hall, Main St.
Russell, MA 01070

Shrewsbury Electric Light Department
100 Maple Ave.
Shrewsbury, MA 01545

South Hadley Electric Light Department
85 Main St.
S. Hadley, MA 01075

Sterling Electric Light Department
P.O. Box 327, Main St.
Sterling, MA 01564

Taunton Municipal Light Plant
P.O. Box 870
55 Weir St.
Taunton, MA 02780

Templeton Municipal Light Company
School St.
Baldwinville, MA 01436

Wakefield Municipal Light Department
P.O. Box 190, 9 Albion St.
Wakefield, MA 01880

Wellesley Public Works Department
455 Worcester St., Taylor Block
Wellesley, MA 02181

West Boylston Municipal Lighting Plant
4 Crescent Way
W. Boylston, MA 01583

Westfield Gas & Electric Department
100 Elm St.
Westfield, MA 01085

Water Companies

- | | | |
|--|---|---|
| Acoaxel Water Works
212 Howland Rd.
Westport, MA 02790 | Edgartown Water Co.
P.O. Box 238, 24 Machacket Rd.
Edgartown, MA 02539 | New Junction Water Co., Inc.
121 Yvonne Drive
Dalton, MA 01233 |
| Agua Water
c/o James Pierson
P.O. Box 62
Manomet, MA 02677 | Gilchrist Springs Corporation
Church Lane
Richmond, MA 01254 | Oakes Water
60 Middle Road
Clarksburg, MA 01247 |
| Ashfield Water Co.
P.O. Box 187
Ashfield, MA 01330 | Granville Center Water Co.
c/o John M. Houser, Jr.
87 West Silver Street
Westfield, MA 01085 | Oxford Water Co.
5 South Main St.
Millbury, MA 01527 |
| Ashmere Water Supply
George Schopp Road
Hinsdale, MA 01235 | Hammond Acres Water Co.
South Chesterfield Rd.
RFD Williamsburg, MA 01096 | Red Mills Water Supply
c/o Timothy Shea
Route 8
Clarksburg, MA 01247 |
| Assabel Water Company
P.O. Box 442
Slow, MA 01775 | High Wood Water
Mashpee Commons, Box 484
Mashpee, MA 02649 | Salisbury Water Supply Co.
52 High Street
Hampton, NH 03842 |
| Astro Water
P.O. Box 842
Lakeville, MA 02347 | Hill Water Co.
Prospect Hill, P.O. Box 266
Stockbridge, MA 01262 | Sheffield Water Co.
P.O. Box 295
Sheffield, MA 01257 |
| Barnstable Water Co.
P.O. Box 326, 47 Old Yarmouth Rd.
Hyannis, MA 02601 | Hingham Water Co.
28 South Street
Hingham, MA 02043 | South Egremont Water
P.O. Box 266, 510 Egremont Rd.
Egremont, MA 01230 |
| Beechwood Water
c/o Charles Parker
90 Eastern Avenue
Keene, NH 03431 | Housatonic Water Works Co.
601 Stockbridge Rd.
Great Barrington, MA 01230 | Southbridge Water Supply Co.
70 Foster St.
Southbridge, MA 01550 |
| Black Waterworks
10 Wells Street
Erving, MA 01344 | Hutchinson Water Co.
Hutchinson Lane
Cheshire, MA 01225 | Wannacomel Water Co.
One Milestone Road
Nantucket, MA 02554 |
| Butterworth Water
c/o Barry Krock
P.O. Box 2020
Worcester, MA 01608 | Kings Grant Water Co., Inc.
839 Newport Ave.
S. Attleborough, MA 02703 | West Stockbridge Water
P.O. Box 176
West Stockbridge, MA 01226 |
| Clough Water
c/o Dr. Laurence Bedell
63 Center Street
Dover, MA 02030 | Mahkeenac WaterWorks, Co., Inc.
8 Whitney St.
Newton, MA 02160 | Westhampton Water Co.
Southampton Rd.
Westhampton, MA 01060 |
| Cool Sandy Beach Water Co.
19 Warren St.
Leicester, MA 01524 | Massachusetts-American Water Works Co.
5 South Main St.
Millbury, MA 01527 | Westport Harbor Aqueduct Co.
P.O. Box 997
Westport, MA 01247 |
| Dover Water Co.
P.O. Box 125, 85 Walpole St.
Dover, MA 02030 | McNamara Water Works
P.O. Box 13
Dover, MA 02030 | Whitinsville Water Co.
44 Lake St.
Whitinsville, MA 01588 |
| Duck Farm Springs Water
P.O. Box 213
Medfield, MA 02052 | Menemsha Water Co.
P.O. Box 13
Menemsha, MA 02552 | Wilches Brook Water Co.
124 Main St.
Westford, MA 01886 |
| East Northfield Water Co.
Northfield Mount Hermon Schools
David E. Howe
208 Main Street
Northfield, MA 01360 | Millford Water Co.
230 Main St.
Milford, MA 01757 | Wylde Wood Water Works, Inc.
129 Perkins Row
Topsfield, MA 01983 |
| | Monterey Water Co.
P.O. Box 111, Main Rd.
Monterey, MA 01244 | Whitney Water System
Crossroads
Clarksburg, MA 01247 |

Railroads

Boston & Maine Corp.
Iron Horse Park
North Billerica, MA 01862

Cape Cod & Hyannis RR Co.
Boston Post Rd.
Sudbury, MA 01776

Bay Colony Railroad
420 Bedford St.
Lexington, MA 02173

Central Vermont Railway
2 Federal St.
St. Albans, VT 05478

Consolidated Rail Corp.
One Bell Crossing
Selkerk, NY 12158

Fore River Railroad Corp.
145 East Howard St.
Quincy, MA 02169

Grafton & Upton Railroad
Depot St.
Hopedale, MA 01747

Pioneer Valley Railroad
P.O. Box 1368
Westfield, MA 01086

Providence & Worcester RR Co.
1 Depot Square
Woonsocket, RI 02895

National Railroad Passenger Corp.
(AMTRAK)
400 N. Capitol St., NW
Washington, DC 20001

Bus Companies

A.B.C., Inc.
P.O. Box 6807, 120 Plympton St.
Providence, RI 02940

A. Yankee Line, Inc.
370 West First St.
South Boston, MA 02127

The Ace Lines
Joybar Transportation, d/b/a
P.O. Box 596
Auburn, MA 01501

Adams Motor Transportation Co.
P.O. Box 18126
Boston, MA 02118

Airways Transportation Co.
10 Gainsboro St.
Boston, MA 02115

Alldrive Trans/Travel and Limousine
Service, Inc.
69 Coolidge Road
Lynn, MA 01902

Ambassador Services Ltd.
29 Colonial Rd.
Medfield, MA 02052

American Eagle Motor Coach
72 Sycamore St.
Fairhaven, MA 02719

American Transit Corp.
67 Downing Parkway
Pittsfield, MA 01202

Andre Coachlines, Inc.
P.O. Box 231, Readville Station
Boston, MA 02137

Arnold Transportation, Inc.
290 Market St.
Warren, RI 02885

Art's Beach Taxi
9 Washington Ave.
Provincetown, MA 02657

Auto-Bus, Inc.
100 Whales Ave.
Avon, MA 02322

Ayer Express Taxi and Charter
Day Brook Drive, Bldg. 2
Ayer, MA 01432

B. C. Coach Corporation
185 East Housatonic St.
Dalton, MA 01226

B. C. Lines, Inc.
769 Washington St.
Auburn, MA 01501

B & W Express Corporation
Statler Office Building, Room 22
20 Park Plaza
Boston, MA 02116

Barre Bus Company, Inc.
150 Shrewsbury St.
Boylston, MA 01543

Barrett's Tours
Somerset Rd.
Nantucket, MA 02554

Bay State Bus Corporation
1442 Main St.
Brockton, MA 02401

Bay State Bus Commuter Lines, Inc.
1139 Washington St.
Stoughton, MA 02072

Bedford Charter Service, Inc.
11 Railroad Ave.
Bedford, MA 01730

Bergeron's Limousine V.I.P. Van
Service, Inc.
4 Megansett Drive
West Wareham, MA 02576

Berkshire Bus Co., Inc.
RFD #2
Great Barrington, MA 01230

Big W Trans., Inc.
P.O. Box 321
Ashland, MA 01721

Blanchard Charter Service, Inc.
Travelway's, Inc., d/b/a
555 Whipple Rd.
Tewksbury, MA 01876

H. & L. Bloom, Inc.
427 Cohannet St.
Taunton, MA 02780

Bloom's Bus Lines, Inc.
427 Cohannet St.
Taunton, MA 02780

Bonanza Bus Lines, Inc.
P.O. Box 1116, Annex Station
Providence, RI 02901

Boston Doubledeckers, Inc.
24 Thorndike St.
Cambridge, MA 02141

Bus Companies (cont.)

Boston Tours
89 Arcadia Ave.
Waltham, MA 02154

Boston-Worcester Express Corp.
Staller Office Building, Room 22
20 Park Plaza
1 Boston, MA 02116

Brander Bus Lines, Inc.
20 Slater St.
Rehoboth, MA 02769

Bridgewater State College
Grove St. Building
Bridgewater, MA 02324

Brookside Motor Coach
Larry W. Manosh, d/b/a
P.O. Box 102
Stow, MA 01775

Brush Hill Transportation Co.
31 Milk St.
Boston, MA 02109

Buckingham Bus & Taxi Service
Donald W. Buckingham, d/b/a
21 Station Ave.
Groton, MA 01450

Burgess, Robert
172 Eastern Ave.
Springfield, MA 01109

C. & W. Trans., Inc.
240 Bedford St.
Lexington, MA 02173

C.A.P.I.C. Head Start
United Methodist Church
217 Winthrop St.
Winthrop, MA 02152

Cambridgeport Child Care, Inc.
65R Chestnut St.
Cambridge, MA 02139

Camper Tours, Inc.
1095 South St.
Wrentham, MA 02093

Cape Cod Bus Lines, Inc.
11 Walker St.
Falmouth, MA 02540

Cape Cod & Hyannis Railroad, Inc.
252 Main St.
Hyannis, MA 02601

Cape Cod Shuttle Bus Service, Inc.
149 Rhine Cliff St.
Arlington, MA 02174

Cape Transit, Inc.
P. O. Box H
222 Old Chatham Rd.
South Dennis, MA 02660

Cappuccio, Michael
Route 62-68
Hubbardston, MA 01452

Carey's Motor Transportation, Inc.
305 Temple St.
Whitman, MA 02382

W. M. Carpenter, Inc.
P.O. Box 204
Woburn, MA 01801

Central Mass. Bus Co., Inc.
P.O. Box 337
Athol, MA 01331

Chapin & Sadler, Inc.
Union St.
Montague, MA 01351

Charles Transportation
Ronald L. MacMurdo, d/b/a
36 Edison Park
Quincy, MA 02169

Chelsea Hill Associates
100 Captain's Row
Chelsea, MA 02150

City Transportation
Thomas Harrington, d/b/a
P.O. Box 1459, 390 Stuart St.
Boston, MA 02117

Coastal Acres Dune Tours, Inc.
c/o Manuel Phillips
Bradford Street Extension
Provincetown, MA 02657

Commonwealth Coach, Inc.
P.O. Box 2935
Woburn, MA 01888

Commonwealth Limousine Service, Inc.
26 Marlborough St.
Boston, MA 02116

Convention & Travel Consultants, Inc.
P.O. Box 710
Randolph, MA 02368

Conway's Bus Service
3220 Mendon Rd.
Cumberland, RI 02864

Copley Motor Tours, Inc.
10 Gainsboro St.
Boston, MA 02115

Coppola, Inc.
28 South Central St.
Haverhill, MA 01830

Crystal Transport, Inc.
77A Guest St.
Brighton, MA 02135

Deacon Transportation, Inc.
329 W. 2nd St.
South Boston, MA 02127

Dee Bus Service
Leo R. Dee, d/b/a
54 Orchard Rd.
West Concord, MA 01742

DeGere, Edward W.
134 Bellevue Ave.
Adams, MA 01220

Delmolino, Raymond R., Inc.
RFD #, Mt. Washington Rd.
Great Barrington, MA 01230

DePalma Transportation Service
Louis DePalma, d/b/a
71 Garden St.
Feeding Hills, MA 01001

Doherty's Garage, Inc.
161 Lincoln Rd.
Lincoln, MA 01773

Drifting Sands Dune Tours, Inc.
P.O. Box 365, Highland Rd.
Truro, MA 02666

Drummond, H. T., Inc.
22 McClelland Rd.
Halifax, MA 02338

Dudley, Wayne F. Bus Company, Inc.
31 Rip Van Winkle Way, Box 490
Buzzards Bay, MA 02532

Dufour Escorted Tours, Inc.
107 South St.
Pittsfield, MA 01201

Dunbar Bus Co.
Thomas Dunbar, d/b/a
P.O. Box 334
Tyngsboro, MA 01879

Bus Companies (cont.)

Eastern Greyhound Lines Company
10 St. James Ave.
Boston, MA 02115

Edgartown-Katama Stagelines, Inc.
Box 8, Main St.
Edgartown, MA 02539

Edmar Limousine Service
76 Broadway
Chelsea, MA 02150

Englander Coach Lines, Inc.
P.O. Box 631
North Adams, MA 01247

Fiore Bus Service, Inc.
P.O. Box 1266
Saugus, MA 01906

Fiore, Ralph Bus Service, Inc.
3 Plank St.
Billerica, MA 01821

Fitchburg & Leominster St. Railway
203 Falulah Rd.
Fitchburg, MA 01420

Four Seasons Bus Tours
686 Main St., Route 18
So. Weymouth, MA 02190

Fox Bus Lines, Inc.
P.O. Box 1042
Worcester, MA 01613

Fraser Sales, Inc.
P.O. Box 540
Lee, MA 01238

Freedom Trail Shuttle Corp.
Staller Office Building, Room 22
20 Park Plaza
Boston, MA 02116

Gagnon, A. J., & Sons, Inc.
1479 Hildreth St.
Dracut, MA 01826

Gardner, S. Bus Co., Inc.
51 Littleton Rd.
Ayer, MA 01432

Gary, Charles B., Inc.
North Rd.
Westfield, MA 01085

Gateway Bus Line, Inc.
2506 Cranberry Highway
Wareham, MA 02571

Gay Head Sightseeing Co., Inc.
P.O. Box 1086
Oak Bluffs, MA 02557

Gloucester Trans. Co., Inc.
Parker St.
Gloucester, MA 01930

Gokey & Quinn Bus Co. Inc.
P.O. Box 219
Harvard, MA 01451

Goodyme Travel Company
Brian Powell, d/b/a
134 High St.
Holyoke, MA 01040

Gray Line Of Boston, Inc.
275 Tremont St.
Boston, MA 02116

Gray Line, Inc.
275 Tremont St.
Boston, MA 02116

Green Harbor Transportation
Joseph P. O'Shea, d/b/a
P.O. Box 623
Green Harbor, MA 02041

Greene, Hubert F.
Ware Rd.
Belchertown, MA 01007

Greenfield & Montague
Transportation Area
382 Deerfield St.
Greenfield, MA 01301

Gulbankian, Michael, Inc.
40 Mt. Vickery Rd.
Southboro, MA 01772

Harding's Bus Service, Inc.
6 Gardner Rd.
South Ashburnham, MA 01466

Haskells Charter Service, Inc.
192 Richardson Ave.
Attleboro, MA 02703

Healey, Martin J.
119 Lynn Shore Drive
Lynn, MA 01902

Helwin's Adventurers
Edwin and Helen Wintermantle, d/b/a
12B Lexington Manor-Laurel St.
Lee, MA 01238

Herbin, Wilbert L., Jr.
60 Camden St.
Roxbury, MA 02118

Heritage Truck & Transit, Inc.
750 West Broadway
Gardner, MA 01440

Hogan Associates, Inc.
346 Chandler St.
Worcester, MA 01602

Holiday Charter Service
P.O. Box 641
Clinton, MA 01510

Holmes, W. T. Trans. Co., Inc.
22 Myrtle St.
Norfolk, MA 02056

Holyoke St. Railway Co.
63 North Canal St.
Holyoke, MA 01040

Howard, S. Bus Co.
Sandra Howard, d/b/a
399 Bank St.
Fall River, MA 02722

Hub Bus Lines, Inc.
321 Washington St.
Somerville, MA 02143

Hudson Bus Lines
Kenneth Hudson Inc., d/b/a
70 Union St.
Medford, MA 02155

Hudson Bus Lines, Inc.
305 Temple St.
East Weymouth, MA 02189

Ingle, Joseph Bus Service, Inc.
Circuit St.
West Hanover, MA 02339

Interstate Coach
Unda's Bus Service, Inc.
1139 Washington St.
Stoughton, MA 02072

Island Tours
Barnstable Bus Co., Inc., d/b/a
39 Ferndock St.
Hyannis, MA 02601

Island Transport, Inc.
P.O. Box 1089
Vineyard Haven, MA 02568

Bus Companies (cont.)

J & J Bus Company, Inc.
Belchertown Rd.
Ware, Mass. 01082

J. T. Bus Lines, Inc.
P.O. Box 898
North Adams, MA 01247

Kinson Bus Lines
Basil S. Kinson, Inc., d/b/a
P.O. Box 423
Plaistow, NH 03865

Kunkel Bus Company
100 East Main St., Box 278
Webster, Mass. 01570

Kuzmeskus, Frank M.
P.O. Box 484, Nadeau Ave.
Turners Falls, MA 01376

L&S Transportation Co.
437 Stafford Rd.
Fall River, MA 02721

LaPorte's Bus Lines
John W. LaPorte, d/b/a
58 Merriam Rd.
Princeton, MA 01541

Lizak Bus Service, Inc.
West Main St.
Warren, MA 01083

Lolaw Transit Management, Inc.
Clark Rd.
Tewksbury, MA 01876

Longueil Transportation, Inc.
144 Shaker Rd.
East Longmeadow, MA 01028

Lower Cape Bus and Taxi, Inc.
P.O. Box 231
North Truro, MA 02652

Lucini Bus Line, Inc.
369 South Main St.
West Bridgewater, MA 02379

Lynn Head Start-Day Care, Inc.
360 Washington St.
Lynn, MA 01901

M.A.C.-MAE Bus Co., Inc.
Worcester Rd., Rte. 62
Hubbardston, MA 01452

Macy's Transportaion, Inc.
Main St.
Sheffield, MA 01257

Manchester Trans. Services, Inc.
P.O. Box 420
Manchester, MA 01944

Marathon Lines, Inc.
P.O. Box 124
Auburn, MA 01501

Marinel Trans., Inc.
Ward Way
North Chelmsford, MA 01863

Martha's Vineyard Sightseeing
Bus Line, Inc.
P.O. Box 1086
Oak Bluffs, MA 02557

Mary's Mini Van
Mary Daniels, d/b/a
P.O. Box 671
Mansfield, MA 02048

Mass. Bay Trans. Authority
110 Park Plaza
Boston, MA 02116

Massini, Henry J.
Route 7A
Sheffield, MA 01257

McCarty, James N. Limousine Service, Inc.
700 Mechanic St.
Leominster, MA 01453

McGinn Bus Co., Inc.
36-38 Harbor St.
West Lynn, MA 01901

McGrail, G. L. Co.
263 Main St.
North Brookfield, MA 01535

McGregor-Smith Motor Co., Inc.
123 West Main St.
Merrimac, MA 01860

McIntire Bus Lines, Inc.
c/o Hudson Bus Lines
70 Union St.
Medford, MA 02155

McIntire Trans., Inc.
P.O. Box 1266
Saugus, MA 01906

McKinney School Bus Co.
Robert McKinney, d/b/a
520 Merrimack St.
Methuen, MA 01844

Meadow's Dune Tours
Matthew J. Costa, d/b/a
Bradford Street Ext.
Provincetown, MA 02657

Medeiros Bus Company, Inc.
72 Sycamore St.
Fairhaven, MA 02719

Medeiros Bus Company, Inc.
709 Russell Mills Rd.
South Dartmouth, MA 02714

Merrimac Transportation, Inc.
275 Tremont St.
Boston, MA 02116

Merrimack Valley Area Transportation Corp.
85 Railroad Ave.
Haverhill, MA 01830

MetroBus, Inc.
221 Longwood Ave.
Boston, MA 02115

Michaud Bus Lines, Inc.
61 Jefferson Ave.
Salem, MA 01970

Morgan Coach Lines of New England
Earl D. Morgan, d/b/a
28 King Philip Ave.
South Deerfield, MA 01373

My Coach, Inc.
409 Bailey St.
Fall River, MA 02554

Natick Bus Service, Inc.
65 Rockland St.
Natick, MA 01760

North Shore Bus Co., Inc.
31 Milk St.
Boston, MA 02109

North Shore Tours, Inc.
Charles L. Rando, d/b/a
14 Briarwood Drive
Danvers, MA 01923

North Truro Camping Area, Inc.
Highland Ave.
North Truro, MA 02652

Northside Bus Service, Inc.
P.O. Box 483
Barnstable, MA 02630

Bus Companies (cont.)

Norwell Coach Service
H.E.J. Corporation, d/b/a
724 Main St.
Norwell, MA 02061

Palmer Motor Coach Service, Inc.
257 West Main St.
Stafford Springs, CT 06076

Parent Bus Service, Inc.
P.O. Box 27, Ballardville Station
Andover, MA 01810

Pepperell Bus Lines
Ronald H. Rajaniemi, d/b/a
368 Main St.
West Townsend, MA 01474

Peter Pan Bus Lines, Inc.
1776 Main St.
Springfield, MA 01101

Peter Pan Bus Lines, Inc.
217 Main St.
North Oxford, MA 01540

Phillips, Clarke A., Jr.
P.O. Box 695, 431 Webster St.
Marshfield, MA 02050

Phillips, Clarke A., Jr.
666 Nantasket Ave.
Hull, MA 02045

Pierce Transit Co., Inc.
441 Textile Ave.
Dracut, MA 01826

Pina, Edwin J., Sr. & Son, Inc.
P.O. Box 221
Marston Mills, MA 02648

Pittsfield Courtesy Bus Co., Inc.
Putnam Rd., Box 135
Lanesboro, MA 01237

Plymouth & Brockton St.
Railway Co.
31 Milk St.
Boston, MA 02109

Plymouth Rock Trolley Co., Inc.
22 Main St.
Plymouth, MA 02360

Priority Express
A-Line Partnership, d/b/a
P.O. Box 124
Auburn, MA 01501

Puritan Transport Corp.
151 Everett Ave.
Chelsea, MA 02150

R & F Trans. Co., Inc.
35 Dana St.
Taunton, MA 02780

Rapid Transit, Inc.
52 Crest Ave.
Winthrop, MA 02152

Reardon, Robert C.
298 Hatherly Rd.
Scituate, MA 02066

Reliable Bus Lines, Inc.
978 Nash Rd.
New Bedford, MA 02745

Ride-Well, Inc.
South Bremen St.
Pier #1 -Massport
Boston, MA 02128

Ritchie Bus Lines, Inc.
P.O. Box 613
Northboro, MA 01532

Rockland Motors, Inc.
Market St.
Rockland, MA 02370

RoNo Transportation Corp.
49 White Pond Rd.
Stow, MA 01775

Ryder Transport, Inc.
42 Harlow St.
Worcester, MA 01605

Salem Trolley Corp.
59 Wharf St.
Salem, MA 01970

Salter, John P., Inc.
P.O. Box 69
Newburyport, MA 01950

Sansone Motors, Inc.
100 Broadway
Norwood, MA 02062

Shaughnessy, F.L., Inc.
489 Boston Rd.
Billerica, MA 01821

South Shore Gray Line, Inc.
Staller Office Building, Room 22
20 Park Plaza
Boston, MA 02116

Southbridge Livery Service Co., Inc.
142 Hamilton St.
Southbridge, MA 01550

Springfield Transit Management
2840 Main St.
Springfield, MA 01101

Stork Transportation Systems
Thomas N. Arnold, d/b/a
286 Blue Hill Ave.
Milton, MA 02186

Strong Corp.
26 Pleasant St.
Easthampton, MA 01072

Strong Corporation
2840 Main St.
Springfield, MA 01107

Swift River Bus Co., Inc.
HCR Box S-225
New Salem, MA 01355

TBC, Inc.
P.O. Box 368
Manchaug, MA 01526

Thompson Oil Co., Inc.
Grove St.
Upton, MA 01568

Town & Country Trans. & Leasing Corp.
290 Market St.
Warren, RI 02885

Townsend Limousine Service
Dolores M. Nauman, d/b/a
127 North End Rd.
Townsend, MA 01469

Transit Bus Lines, Inc.
609 Main St.
Walpole, MA 02081

Transit Management of Cape Ann, Inc.
P.O. Box 606
Gloucester, MA 01931

Travel Time
Denise, Inc., d/b/a
277 Newbury St.
West Peabody, MA 01960

Travel Time Bus Lines, Inc.
99 Arnold St.
Springfield, MA 01119

Bus Companies (cont.)

Tremblay's Bus Co., Inc.
P.O. Box 71
Fall River, MA 02722

Trombly Motor Coach Service, Inc.
1480 Broadway Rd.
Dracut, MA 01826

Union Street Bus Co., Inc.
65 Potomska St.
New Bedford, MA 02741

Vendetti Motors, Inc.
411 West Central St.
Franklin, MA 02038

Vermont Transit Co., Inc.
135 St. Paul St.
Burlington, VT 05402

Vocell Bus Company, Inc.
321 Washington St.
Somerville, MA 02143

Wallace Bus Lines, Inc.
P.O. Box 348
Holbrook, MA 02343

Waltham Transit Service
Waltham Truck Equipment Corporation, d/b/a
131 Linden St.
Waltham, MA 02154

Warrentown Trans., Inc.
Summer St.
Middleboro, MA 02346

Weagle Bus Company, Inc.
171 Grafton St.
Shrewsbury, MA 01545

Wellesley Motor Coach Co.
P.O. Box 2328
Framingham, MA 01701

Western Mass. Bus Lines, Inc.
P.O. Box 840
Northampton, MA 01060

Westminster Limousine Service
71 Main St.
Westminster, MA 01473

White, R. H. Bus Co., Inc.
41 Central St.
Auburn, MA 01501

Wilson Bus Lines, Inc.
Main St.
East Templeton, MA 01438

Wilson Bus Lines, Inc.
80 Lunenburg St.
Fitchburg, MA 01420

Worcester Area Trans. Co, Inc.
287 Grove St.
Worcester, MA 01613

**The Department of Public Utilities
12th Floor
100 Cambridge Street
Boston, Massachusetts 02202**

For information or assistance:
Administration and Information
(617) 727-3500

Consumer Division
(617) 727-3531
1-800-392-6066



